



# ***Daily Report***

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## **Latin America**

FBIS-LAT-88-018  
February 1988

# Daily Report

## Latin America

FBIS-LAT-93-019

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**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form.

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## Cuba

### Castro, Party Officials Head Torchlight March

FL2901150093 Havana Radio Rebelde Network in Spanish 1200 GMT 29 Jan 93

[Text] Commander in Chief Fidel Castro headed the massive torchlight march with which the people of Havana commemorated Jose Marti's 140th anniversary. Exactly at 0000 GMT [1900 local], the leader of the Revolution along with other party and government officials departed from the steps of the University of Havana and went down San Lazaro Street to the central park.

Hundreds of thousands of youths, workers, students, pioneers, and combatants joined the march, which was lighted by the torches that illuminated that part of the capital. The torchlight march was also led by a group of outstanding athletes. Artists, scientists, and other vanguard workers also participated in the march. With this massive activity, the Cuban youth honored the 40th anniversary of the torchlight march and the Marti Congress of 1953.

At the central park, prior to the beginning of the cultural evening, the best athlete of 1992, wrestler Hector Milian, lit the gigantic torch located beside the Marti Monument. Immediately afterwards, a video was projected onto a big screen on the occasion of the historical date. Later on, Sal Gonzalez sang simple verses of Marti, Miguel Varnet read the introduction to the free verses, and other well-known artists and intellectuals rendered songs and poems about the national hero.

### Raul Castro Opens 'First Phase' of Via Mulata

FL2901194493 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 29 Jan 93

[Text] Army General Raul Castro has inaugurated, in the first phase, the Via Mulata, a 236-km stretch of road going from the bridge over the Toa River in Baracoa to Mella Municipality in Santiago de Cuba Province.

To declare the monumental Via Mulata completely passable, the full length of its 236 km is an accomplishment of extraordinary importance to communications in Santiago de Cuba, Holguin, and Guantanamo Provinces. Also, the road links eight municipalities in these provinces.

At a spontaneous gathering in front of the Quivijan Bridge, Army General and FAR [Revolutionary Armed Forces] Minister Raul Castro declared the road open, in its first phase.

[Begin Castro recording] We have inaugurated the first phase of this project, a project that Reason describes as monumental. It was begun at the start of the 1940's and (?had) progressed only into a pretty fair causeway from the mouth of the Toa River along that river as far as the Quivijan River, where they built a bridge that was totally

destroyed by the 1944 hurricane. That was all that had been done to the Via Mulata. Back then, budgets for this project were always being approved, to the point where the Via Mulata was famous. But that is all they had accomplished. Of course, of those budgets that were approved, the few meters or kilometers of causeway that were built served as a cover-up for the permanent theft of public (?funds) that used to to occur, here, on the pretext of any....[recording fades] [end recording]

The cutting down of the steep mountains and (?the building, along them, of) stretches of concrete road and an easily transited causeway are the result of the energetic efforts of its builders, since putting asphalt on such steep grades would constitute a great waste of materials, under mountain conditions. That is why the road is declared finished "in its first phase."

[Begin Castro recording] It is very important that it be made known that Cuba has managed to accomplish this with the savings in fuel that this Army has been able to make even under the special period. It should really be made of concrete, the way such mountain roads should be built. It is preferable to leave [words indistinct] totally laid out, with all its corresponding construction structures [obras de fabrica] and two little brigades located strategically along those 236 km to give it whatever maintenance it may require once a year—as we have decided to do. We will try to pour 10 km of concrete at those points that are most vulnerable because of the grade or because of the extremely heavy rains that occur here, especially in the easternmost parts—[word indistinct] the part north (?of) Yateras, north of Baracoa, all the way to the end of the road or to the beginning ...[pauses] the mouth of the Toa River. [end recording]

Castro explained: If we continue to save fuel, by the end of the current year we will be able to say that there is a central highway running through all the nation's mountain ranges.

Among those present during this interview, the heads of the Eastern, Central, and Western Armies voiced the impressions they had upon transiting the 236 km of the Via Mulata.

[Begin recording] [Division General Ramon Espinosa Martin, identified by caption] I think the work they have done deserves congratulations from all of us, because in addition to being a selfless piece of work, it is a dangerous bit of work, and they have done it lovingly, as the chief has said. That is how we have obtained the results (?we have).

[Division General Joaquin Quintas, identified by caption] I find it a very impressive piece of work, one that has great importance from an economic, political, social, and military point of view. I think I am making an accurate assessment of what I have seen: An enormous effort has been required to accomplish this. I would term the effort heroic.

[Division General Leopoldo Cintras, identified by caption] That is our Armed Forces' work style. Naturally, this is not a recent thing. It dates from the triumph of the Revolution. I think this has been an Eastern Army triumph, yes, but also a triumph of the FAR as a whole.

[Reporter Rosa Maria Fernandez] If you had to evaluate in just a few words the effort that has been made to build this road, what would you say?

[Castro] All the efforts being made by our people at the present—very specifically, as I already mentioned to you, the workers of the Construction Ministry, of the Flor Crombet Contingent, [words indistinct] fuel, as I have explained. The workers, [words indistinct] of the Eastern Army, and we must remember, most particularly, at this time, the comrades who died building such works, beginning with Banner Hill [la loma de la bandera] over there in Los Pinales de Mayari, Holguin Province, in lower Mayarí Municipality, where we lost a worker [words indistinct] all the way to here, near the mouth of the Toa, where a comrade was killed recently. He simply fell off [words indistinct] the precipices that we had the occasion to see day before yesterday. In a word, it has been an effort that we [words indistinct] that the country needs, right now, like the efforts millions of nameless heroes are making daily in this country. [end recording]

#### Director Thanks Castro for Chernobyl Children Care

FL3001151393 Havana Radio Rebelde Network in Spanish 1000 GMT 30 Jan 93

[Text] The director of the Ukrainian Youth Charity Fund has sent Commander in Chief Fidel Castro a letter expressing thanks for the help given the children from Chernobyl affected by the nuclear plant accident. The letter stresses that as of January 1993, 10,000 Ukrainian children had received treatment in Cuba thanks to Fidel's humane understanding of how important the social and medical program in question is. The letter reiterates that the marvelous performance and successes of the Cuban physicians are known beyond Ukrainian borders. The director expresses his sincere gratitude to the Revolution's leader and, through Fidel, to all those who are taking care of, watching over, and treating the Ukrainian children in Cuba. He concludes his letter by expressing his certainty that those children will keep the name of Fidel in their hearts for many years.

#### Politburo Members' Activities Reported 23-29 Jan

FL2901203493

[Editorial Report] The following is a compilation of fileworthy reports on the activities of members of the Politburo of the Central Committee of the Communist Party of Cuba carried on Havana radio and television in Spanish between 23 January and 29 January.

Maria de los Angeles Garcia, Yadira Garcia, Concepcion Campa, and Roberto Robaina attended the Union of

Young Communists science discussions at the Universidad Central de las Villas in Villa Clara. [Tele Rebelde and Cuba Vision Networks Spanish 0100 GMT 23 Jan]

Havana City's municipal assemblies approved the nominations of 108 deputies and 143 delegates. The candidacies include production and service workers, base-level delegates, people's council presidents, leaders of mass organizational and administrative bodies, and culture and science personalities. Among the guests at the Playa Municipality assembly was Comrade Jose Machado Ventura, who was elected as this municipality's delegate when the first elections to the National Assembly were held 17 years ago. [Tele Rebelde and Cuba Vision Networks Spanish 0100 GMT 25 Jan]

Division General Ulises Rosales del Toro congratulated the new graduates of the Jose Luis Acende School in Matanzas for their excellent preparation. Rosales also evaluated the demonstrations of the members of the "Jose Marti's 140th Anniversary" graduating class as positive. These soldiers had been outstanding in the infantry's instruction exercises and in physical preparation. [Radio Rebelde Spanish 1000 GMT 28 Jan]

Division General Ulises Rosales del Toro expressed his assurance that the Eighth Science and Technology Forum will have better results than previous forums. Rosales gave the closing speech at the meeting of the State Defense Group, which was held at the Ministry of the Revolutionary Armed Forces.

Pedro Ross Leal, president of the Cuban Workers Federation, congratulated the sugar industry workers of Pinar del Rio Province for their achievements in 1992 during a plenary meeting in Pinar del Rio. Ross characterized as heroic their efforts to overcome the delays caused by the rain. [Radio Progreso Spanish 1200 GMT 28 Jan]

Abel Prieto met with the members of the Uruguayan delegation that arrived in Havana on 23 January with a shipment of donations. [Radio Progreso Spanish 1200 GMT 29 Jan]

Esteban Lazo and Vilma Espin headed the Torchlight March in Santiago de Cuba on 28 January. [Radio Reloj Spanish 1500 GMT 29 Jan]

Politburo member Jose Ramon Machado Ventura is in the second day of a tour of sites of economic and social interest in Guantanamo Province. Machado Ventura toured facilities under the jurisdiction of People's Council No. 4, which comprises the Caribe section of the city of Guantanamo. Accompanied by Eugenio Cuevas Ibanez, a member of the Central Committee and first secretary of the Communist Party of Cuba in Province, and other candidates for deputies of the Cuban National Assembly and delegates of the provincial assembly, Machado Ventura was given details about the textile complex located there. They also visited the province's blood bank and the Lazaro Pena cigar factory, the largest in Guantanamo Province. [Radio Rebelde Spanish 1800 GMT 29 Jan]

## Haiti

### Political Leaders Respond to Bazin Speech

FL2901221493 Port-au-Prince Radio Metropole in French 1145 GMT 29 Jan 93

[Excerpts] Maurepas Auguste responds rather positively to the prime minister's initiative. He believes, as Marc Bazin pointed out in his speech, that all sons of the country must unite to give a common and appropriate answer to the UN and the OAS.

[Begin Auguste recording] In these dramatic times, the Movement for Democratic Unity, MDU, and its leader, as well as the entire people, beyond all divergence, beyond all partisan feelings, are urged to present a united front against foreign pretense, against the big power, which is, moreover, significantly responsible for our hardships. [end recording] [passage omitted]

It is the wages of inconsequence [as heard], states Jean L. Theogene who believes the foreigners added insult to injury because the crisis has simply been wrongly managed by the country's authorities. While recalling the series of periods of shame in Haitian history, Jean L. Theogene invites the country to rouse its sleeping patriotism. He also advocates a solution to the crisis.

[Begin Theogene recording] [word indistinct] to safeguard national sovereignty that is not at all negotiable. The solution to the political crisis will pass with the return to constitutional order, the holding of general elections. [end recording]. [passage omitted]

[Jean] There is no longer time for petty quarrels, stated PDCH. The Haitian Christian Democratic Party, always in the avant-garde of national interests and linked to the principle of national sovereignty as provided by the UN charter, is solemnly inviting all political leaders to gather around a table to find a response to the document presented by the UN and the OAS. [end recording]

### Further on Parties' Reaction

FL2901174993 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 29 Jan 93

[Report by unidentified correspondent]

[Excerpts] The message delivered by Prime Minister Marc Bazin at the National Palace on 27 January has caused a chain of reaction from all the political parties, whereas the population is observing without saying anything. Only two out of 10 political parties that have reacted on Radio Solcil support the prime minister's decision not to accept the conditions he says the United Nations and the OAS have proposed on the sending of a civilian mission to Haiti. Not only do the remaining eight political parties not share the prime minister's viewpoint, but they also ask him to resign because he has reached a point where his government is hampered.

Rene Theodore of the National Reconstruction Movement [MRN] says Marc Bazin has asked all sectors in the country for their assistance because he needs [to use] those sectors as a folding screen so he can hide his own responsibility in the present situation and remain in power. We do not trust Marc Bazin, according to the MRN which asks the government to publish the entire document so it can see whether what Bazin said is the truth. [passage omitted]

Theodore says there is no place on the document for the signature of the prime minister because international authorities do not recognize him. Theodore thinks Bazin does not really have nationalistic feelings when he speaks of domination by foreigners. Marc Bazin is used to saying that the truck [as heard] is being driven by the foreigners and that he will always sit near foreigners in the truck. This is a statement by the MRN leader who has proposed in his reactions that the prime minister resign. In Theodore's opinion, it is Marc Bazin's ambition that has put the country in its current state.

[Begin Theodore recording] If the country is still experiencing an embargo, it is because of Bazin's ambition. If the country does not have a president today, it is because of Bazin's ambition. If all the administrative offices in the country are in a mess and hawks and money-grabbers have embezzled all the country's funds, it is because of a de facto power [yon pouvwa dasomann] exercised by Mr. Clean and his confederates. In Marc Bazin's mouth, the word nationalism is a perversion. Marc Bazin, I will bluntly tell the truth, through your political intrigues, you have driven the country to such a point that you have put people in the country in such a state that today Haitian people are looking at the foreigners for deliverance. All the people feel they should applaud the foreigners in the event that they should land. This is sad. I, Rene Theodore, will not applaud such a situation. I am sad in view of the despair of my people. Bazin, let the country go before it is too late. [end recording]

For his part, Eddy Volel of the Assembly of Christian Democrats has announced that the prime minister's speech shows that a very serious misfortune is hanging over Haiti and he [Bazin] is responsible for it. Like Theodore, Volel thinks the prime minister should resign. [passage omitted]

The third political party that has reacted to Prime Minister Marc Bazin's speech is the Mobilization for National Development [MDN]. Dr. Hubert de Roceraý thinks Marc Bazin has changed the any time and anywhere negotiation policy because the Haitian delegation that went to Washington denounced the Dante Caputo mission. The MDN, however, thinks the prime minister made the statement too late. [passage omitted] The MDN has advised the prime minister to acknowledge he has failed in his mission and to withdraw from power. [passage omitted]

Louis Dejoie II thinks the sooner the prime minister steps down, the sooner the crisis will be resolved. The

National Agricultural and Industrial Party [PAIN] leader [Dejoie] has proposed the signing of a national agreement to restore constitutionality in the country. According to Dejoie, Bazin has decided to thwart any possibility to lead the country on the path to a possible solution to the crisis. [passage omitted]

Reverend Richard Vladimir Jeanty has asked the prime minister to withdraw from power. No political party wants the prime minister anymore, according to Vladimir Jeanty, who is also opposed to the idea of sending a civilian mission to Haiti. [passage omitted]

For the first time in a statement, former Senator Reynold Georges agrees with President Jean-Bertrand Aristide and is against the proposal of Prime Minister Marc Bazin. Aristide must choose his prime minister from among the political parties opposed to both himself and the Bazin government. For the first time, Reynold Georges has accepted a compromise. [passage omitted]

The National Congress of Democratic Movements [Conacom] has published the copy of an agreement on human rights in Salvador. According to the Conacom, this copy can show the similarity existing between the international civilian mission that will come to Haiti and the civilian mission that was sent to verify human rights in Salvador. So, Conacom completely agrees with the sending of the OAS and UN civilian mission. But instead of saying aloud that it agrees with....[pauses] that it does not agree with the statement by the prime minister, it preferred to use the document to convince the ideas. [sentence as heard]

We will now leave negative reactions to go to positive reactions to the message by Prime Minister Marc Bazin. The two political parties—we told you—that completely support the stand of the prime minister so far are the Haitian Christian Democratic Party and the National Patriotic Movement of 28. [passage omitted]

#### Other Reaction Noted

*FL2901181093 Port-au-Prince Radio Metropole in French 1145 GMT 29 Jan 93*

[Text] Various reactions have been noted following Prime Minister Marc Bazin's address and his revelations on the UN and OAS document. However, unity seems to be found on one aspect: the rejection of any military intervention in the country. Yet thoughts are mixed and shafts are directed everywhere toward the government to demand the resignation of the prime minister. Edner Jean has a roundup of the reactions.

[Begin recording] [Jean] Jean-Claude Roy, a constitutionalist, asks himself if the Conzes [man who betrayed Charlemagne Peralte who was killed by Americans during the country's occupation] have become Charlemagne, and the Charlemagne Peralte [referring to people faithful to the country], Conzes. The leader of the Union of Haitian Constitutionnalists says he does not understand how Marc Bazin can pretend today to play on the sensitive cord of nationalism, when he always claimed himself for internationalism. Jean-Claude Roy also questioned Father Aristide's behavior. Would he deny his political and ideological convictions, he asks. By way of an answer to so many questions, Jean-Claude Roy made an acknowledgement of failure of the consensus government.

[Roy] My first question is to know if President Aristide is aware of the content of this document and if he approves of it? Does Aristide understand Caputo is using his request to tarnish the sovereignty of our country? Can one change so much in politics? No one should be mistaken. We are not faced with a technical mission as the one in charge of the elections. We are faced with a total trusteeship of a protectorate. What are Bazin and his government still doing in the National Palace? What a boldness for Bazin and his government to want to now play on the sensitive cord of nationalism while he has always played on the cord of internationalism. [end recording].

## El Salvador

### Commander Comments on Air Force Demobilization

PA3101194393 San Salvador Canal Doce Television in Spanish 0300 GMT 30 Jan 93

[Report by Alfredo Villareal]

[Text] On 30 January, the Salvadoran Air Force demobilized more than 150 troops from the paratroopers battalion within the framework of the High Command plan to fulfill the Army's reduction plan this month as established in the peace agreements.

A large number of Salvadoran Air Force personnel were demobilized on 30 January, as military authorities had reported. A total of 186 members of the security battalion and a group of troops from the paratroopers battalion have joined civilian life. Some of them have expressed their displeasure with the way they were demobilized.

[Begin recording of unidentified Air Force soldier] I expect nothing from the Air Force. It has given us nothing. They just gave us hopes and hopes alone do not resolve problems. [end recording]

Air Force Commander Colonel Hector Lobo said the demobilized personnel have been prepared to face their new life.

[Begin Lobo recording] You can see they are in top physical shape. They have military skills such as self-defense, marksmanship, and other skills. They also received some academic education. These people know how to do many things they did not know how to do before. We believe they are well-equipped to adapt to their new civilian life. [end recording]

The officer said there are still Farabundo Marti National Liberation Front members armed in the areas of the Santa Ana, San Vicente, and San Salvador volcanoes.

[Begin Lobo recording] There are still individuals with weapons and there are still guerrilla groups with equipment. We believe international pressure and the pressure of the people on these groups is so strong that they will have to start withdrawing, ending this situation. [end recording]

The Armed Forces continues its demobilization, a process that will conclude on 6 February with the demobilization of the Manuel Jose Arce Immediate Reaction Battalion in the city of San Miguel.

### Unidentified Men Kill Media Leader Parada

PA3101212593 San Salvador Canal Doce Television in Spanish 0300 GMT 30 Jan 93

[Text] The wave of criminal violence continues. In the afternoon of 30 January, renown radio and television executive Francisco Parada was killed.

The Salvadoran people have secured a peace agreement that represents rationality for all the countries of the world to follow. However, we are experiencing a crime-rate that is unequalled in our history.

At noon on 30 January, Francisco Parada, a well-known Salvadoran radio-broadcasting executive, was murdered by several armed people when he was about to enter his house, in La Rabida Neighborhood, San Salvador.

According to reports, the attack took place at 1250 on 30 January, on 37th Oriente Street, La Rabida Neighborhood. Several heavily armed persons approached the vehicle in which Mr. Parada and his wife were traveling and without saying anything they fired on him with 9-mm's. Parada was still alive and taken to a hospital, but he died a few minutes before being operated on.

[Begin recording] [unidentified woman] Five men walked by the light pole. When they fired on him, I ran upstairs and looked out the window. I saw the five men climb onto the car and fire into the car. Then the lady took the man out of the car and carried him inside a house.

[Reporter] Can you describe the attackers?

[Unidentified woman] One was a small man with dark features and a long face. He is the one I saw best. The others had already climbed [into a car] when I looked out the window. [end recording]

Francisco Parada was the owner of two radio stations, Radio Estereo Amor and Radio Exitosa, and of Canal Diecinueve Television.

According to his children, he had no enemies. Robbery has been discarded as a motive because the criminals took nothing after killing Parada.

In view of this deplorable crime, this news program joins the relatives of Francisco Parada in their mourning and regrets his irreparable death.

### Government Signs Ban on Chemical Weapons

PA2901195493 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 28 Jan 93

[Text] A government source announced officially that El Salvador signed in Paris an agreement that prohibits development, production, storage, and use of chemical weapons.

UN Secretary General Butrus Butrus-Ghali, the UNESCO general director, as well as representatives of more than 140 countries, were present at the signing ceremony that took place in Paris a few days ago. It was reported that Carmen Maria Gallardo de Hernandez, Salvadoran ambassador to UNESCO, signed the document as representative of the Salvadoran Government.

According to official information, El Salvador neither owned nor used chemical weapons during the armed conflict. Nevertheless, on several occasions during the

civil war various witnesses, including a U.S. doctor who worked in the war areas in Guazapa, confirmed having seen the Salvadoran Air Force use white phosphorus.

## Guatemala

### URNG Responds to Latest Government Proposal

PA3101212493 Guatemala City SIGLO VEINTIUNO  
in Spanish 28 Jan 93 p 3

[Text] "President Serrano's proposal is full of demands of various degrees and attempts to impose unilateral duties. In addition to setting terms for the signing of the General Human Rights Agreement, the proposal establishes a mandatory term which, instead of inviting negotiations, orders us to surrender," declares a URNG [National Guatemalan Revolutionary Unity] communique, a copy of which was sent to this newspaper.

The communique adds: "We want to negotiate and demand reciprocity. To reply to the URNG that only a yes or no would be accepted violates the Oslo and Mexico City agreements because such a stand negates the search for a political solution."

The URNG has proposed concluding the debate and signing the General Human Rights Agreement as soon as possible to guarantee the immediate and full application of these rights in Guatemala. We will not lend ourselves to a farce to evade international criticism, the communique went on to say.

"Through a campaign costing millions, the government attempts to portray an unrealistic image of Guatemala and cover up for the human rights violators. For this reason, our response intends to make the negotiations practical, rather than hamper it with other purposes," the document said.

The URNG points out that "the demilitarization of Guatemalan society is contained in several points of the general agenda agreed upon in Mexico. Later, demilitarization became the basis for the Queretaro agreement."

The communique warns: "We hereby reject the threats of war and repression by President Serrano and the military spokesmen because such threats are foolish and out of place. They are responsible for whatever happens."

We regret that the Army High Command chooses a military solution and repression, which in the end will only cause more suffering, the communique added.

Finally, the URNG says: "President Serrano should sign, without any terms, the General Human Rights Agreement with immediate implementation and verification and resume the negotiation process to construct a fair and democratic peace."

### Government on URNG Response

PA3101225393 Guatemala City EL GRAFICO in  
Spanish 29 Jan 93 p 19

[Communique issued by the Guatemalan Government in Guatemala City on 28 January]

[Text] The Guatemalan Government informs the national and international public that:

The government has learned, through the national media, of the URNG [Guatemalan National Revolutionary Unity] communique which responds to the 6 January 1993 government statement that was relayed by Monsignor Rodolfo Quezada Toruno, the conciliator.

This government statement was the basis for the elaboration of a final proposal that was presented by the president of the Republic to the UN General Assembly and secretary general on 19 January 1993, and which was sent on that same date to conciliator Msgr. Rodolfo Quezada Toruno.

The Guatemalan Government believes the document released by the URNG on 20 January 1993 is not a response to the final proposal delivered to the UN secretary general and Msgr. Quezada Toruno.

In light of the aforementioned, the Guatemalan Government has not adopted an official position on the URNG document because the document does not refer to the government's final proposal and an official position would only confuse the national and international public.

However, in light of what the URNG has stated, the government deems it timely to point out the following:

4.1 [number as published] It is satisfactory for the government to see that the URNG has stated its acceptance of the 90-day deadline proposed by the government to intensify and complete the discussion of the agreements for a firm and lasting peace. However, the government deems it would be convenient if the URNG also stated its willingness to end the internal armed conflict within this deadline.

4.2 In accordance with the agreements that have already been signed by the two parties, particularly those signed in Mexico and Queretaro, the contents of the negotiation shall be circumscribed by the procedures and points established in those agreements and the general agenda. The generalization of the general agenda is contained in the documents that have already been presented by the parties, which reflect the points of view of the government as well as of the URNG.

Finally, the Guatemalan Government, with hope and satisfaction, awaits a positive response to the PROPOSAL FOR THE PROMPT SIGNING OF A FIRM AND LASTING GUATEMALAN PEACE AGREEMENT, presented to the UN General Assembly and secretary general, as well as Msgr. Rodolfo Quezada

Toruno, and which has received broad support from the Guatemalan people and the international community.

[Issued] Guatemala City, 28 January 1993.

#### **Serrano Discusses URNG Response**

PA3001172593 Guatemala City Teleonce Television in Spanish 1830 GMT 28 Jan 93

[News conference by President Jorge Serrano Elias in Guatemala City on 28 January with unidentified reporters—recorded]

[Text] [Serrano] The Guatemalan Government made a preliminary proposal on 6 January 1993 directly to conciliator Monsignor Rodolfo Quesada Toruno in view of the evident stagnation in the negotiations between the government and the Guatemalan National Revolutionary Unity [URNG]. On 12 January, Msgr. Quesada reported to me the rebels' view of the government proposal. Having been informed of the rebels' stand, the government modified the proposal, introducing substantial changes. The proposal served as a basis to present the government's viewpoint during my report to Congress. This government position, which received broad local and international support, is the same proposal later presented at the United Nations.

So far, the government has received only an official document in which the rebels respond to our 6 January proposal. This document was superseded by the proposal we presented at the United Nations. For this reason, the government regards the proposal presented at the United Nations as unanswered and has decided not to make any official remarks on the rebels' statement answering a situation that has already been settled. For this reason, the copy of the document given to you now clearly states that the Guatemalan Government believes the URNG 20 January document does not represent an answer to the final proposal given to the UN secretary general and Msgr. Quesada. The government is not taking any official stand on the rebels' document because it does not refer to the government's final proposal and our reply could confuse the local and international public.

We are waiting for the URNG to answer the proposal we presented to the United Nations. Our proposal has not been answered so far. The rebels clearly said they are answering our 6 January proposal. Nevertheless, we regard it as important to underline some of the concepts included in the URNG document, which answers our 6 January letter. The government regards as satisfactory the fact that the URNG accepts the 90-day deadline proposed by the government to step up and conclude the peace agreement debates. The government, however, regards it as convenient that at the end of the deadline the URNG also express willingness to end the local armed conflict. Whence this government stand? In its proposal presented to the United Nations, the government makes concessions beyond previous agreements and even contradicts the Mexico and Queretaro Agreements. The Mexico and Queretaro Agreements include a

definite list of issues and a democratic will. I want to tell you, journalists, that those agreements clearly establish that no agreement will go into effect until the total peace agreement is signed. The government, demonstrating a spirit of openness and motivation to get the negotiations going, has explained its position at the United Nations and has accepted the immediate implementation of agreements, but on a temporary basis only because otherwise we would be giving legal status to a group that operates illegally.

The rebels have not acted in kind to this flexibility by the government. We believe flexibility is necessary to end the conflict we are confronting. We want the local and international media to see that based on agreements already signed by the two sides, especially the Mexico and Queretaro agreements, the negotiations must be carried out in the framework of the procedures and points established in those agreements, as well as in the general program, which includes documents already presented by the two sides and that contain the points of view of both the government and the URNG. If you recall, the government some time ago asked the URNG to present a document suitable for use as a guideline for a general discussion. We did it because we believe that if we continue discussing each issue, these negotiations could go on for 11 years.

The URNG then presented a document stating its global position on the country's problems. On 30 June, 20 days later, we replied to the document presented by the URNG. These two general documents, which are available to the media, clearly establish the framework of the negotiations we believe can be carried out in the country. I want to tell the local and international media that the government has the best disposition to sit immediately at the negotiating table to disentangle this process, sign the human rights agreement, make the concessions asked by the URNG, and reach the agreements necessary for the conclusion of the conflict. We believe we must carry out the negotiations based on the guidelines already established by the two sides and do it while the eyes of the United Nations and the entire world are seriously upon us. We must limit these discussions to the issues envisaged in those guidelines.

I want to tell you that the level of agreement on those issues between the URNG and the government is 70 or 80 percent. There is some discrepancy on 15 percent of the issues, but these discrepancies can be worked out and agreements can be reached on them with relative ease. The remaining 5 percent of the issues are controversial because the positions are different.

My government has said a thousand times it is prepared to discuss what was put on the table by the Mexico and Queretaro Agreements, by the program approved by the two sides, and by the generalization documents presented by both the URNG and the government. I want to once again present the government's position. I want to caution once again that we do not want to engage in mutual accusations. We want to tell the insurgency

gentlemen they have not replied to the proposal the government made at the United Nations. We are awaiting that reply. We are also ready to sit down and talk with you to find ways that may lead to a solution of the country's problems. This is what I wanted to tell you, gentlemen of the media. I am prepared now to answer questions.

[Reporter] [Question indistinct]

[Serrano] The government has accepted and has already made a change. In their first new proposal they say: We want a reduction in the Army. This issue was never introduced at the negotiating table because the Guatemalan Army is one of the smallest, proportionately speaking, in Central America. We have considered the territory the Army has to cover, the borders we have to protect, the country's population, and problems such as drug trafficking, and the plundering of our cultural wealth, etc. They had never made such a demand and we had never introduced that issue. It is important, journalists, that you know the negotiating program. The issues that appear in the program are: The demilitarization of the civilian population and the modernization of the Armed Forces. We are prepared to discuss these issues. We have never shunned them.

In their general document they state positions on the demilitarization issue. You will be seeing this document. It involves self-defense patrols, etc. We have stated clearly and categorically that there is no reason for maintaining a pilot counterinsurgency force when there is no longer any insurgency. I want to say that this issue is open and we are going to confront it.

Regarding modernization, we want to tell you the general commander has already ordered educational programs and we have already made changes and will continue making changes. We will continue educating recruits, specialists, cadets, and soldiers at the basic, advanced, and staff levels. We have introduced human rights courses. We are really trying to modernize the Armed Forces as we implement our medium- and long-term plans to support the community, to fight drug trafficking, to protect the nation's cultural wealth, and to protect our ecologic heritage. All this is part of the new guidelines that we are introducing in the Army rank and file as an essential element of the new Guatemalan Army administration. I want to tell you that we are not avoiding at all the military issue [words indistinct].

[Reporter] [words indistinct]

[Serrano] We agree with signing the human rights agreement. Although based on the Mexico and Queretaro Agreements, that agreement will not go into effect until the total peace agreement is signed. The rebels have stated a position contrary to what was approved in Mexico and Queretaro by asking that this agreement be implemented immediately and that there be immediate international verification. The government said fine, but for a temporary period only. We will not accept an immediate and unlimited verification, especially

because of documents we seized from the rebels. In those documents the rebels clearly state they view negotiations not as the means for finding peace and reconciliation, but as the means for maintaining and intensifying the revolutionary struggle.

In view of this, we cannot give them additional tools for their struggle. If they demonstrate goodwill, we will agree to an immediate verification. I want to say there are verification institutions in the country already. First, there is the Office of the Human Rights Attorney—a constitutional institution that carries out this function. There is also the UN observer, Dr. (Christian Chubishak), who has prepared a detailed report on Guatemala's human rights behavior. You know there are many nongovernment institutions that carry out this activity. We are not opposed to a verification process in the country. If we were, we would have rejected observations from Dr. (Chubishak). What we oppose is a verification process for an unlimited period based on demands from an illegal group.

#### Government-URNG Peace Talks To Resume in Feb

PA3001010693 Mexico City NOTIMEX in Spanish  
0004 GMT 30 Jan 93

[Text] Guatemala City, 29 Jan (NOTIMEX)—Monsignor Rodolfo Quezada Toruno, the president of the National Reconciliation Commission, said on 29 January that the Guatemalan guerrillas have decided to return to the negotiating table with the government to discuss the issues that have impaired the dialogue and progress toward signing an agreement.

Upon arriving in the capital from Mexico, where he talked with guerrilla Commanders Pablo Monsanto and Gaspar Ilom, the conciliator said the commanders are willing to overcome the difficulties that have bogged down the negotiation process, which has been suspended since August 1992.

Quezada Toruno, the bishop of Zacapa, believes the next meeting will have a special characteristic, mainly because it will not be a dialogue aimed at signing any agreements. The people, therefore, should not have false hopes.

"It will be a plenary meeting to approach those issues that will free the process and make it more agile, without it losing substance," he added.

According to the conciliator, it is more important for the government and the guerrillas to return to the table and, in so doing, avert a "paper war."

"Proposals and counterproposals will be accepted or rejected and will be negotiated at the table, and not in the media, in accordance with the Oslo Agreements" (1990), Quezada warned the government and the leaders of the Guatemalan National Revolutionary Unity (URNG).

The bishop said he hopes both parties will meet during the third week of February and that Mexico would be the site for the encounter.

#### Article Offers Solutions to Peace Process

PA2801170493 Guatemala City *EL GRAFICO* in Spanish 27 Jan 93 p 4

[Unattributed Article]

[Text] The issues that preclude the signing of a peace accord in our country are few, but their solution is difficult because it demands concessions from the two parties on a highly critical topic: the military forces. Consequently, greater UN participation and even greater pressure at the local and international level will be decisive in helping negotiations advance toward a solution to the military conflict.

The possibility of overcoming the stalemate arose on 14 January when President Jorge Serrano addressed Congress and announced his new peace proposal to the Guatemalan National Revolutionary Unity [URNG]. He ratified the proposal on 19 January at the UN General Assembly.

The possibility was voided when the rebel reply, revealed on 20 January, was rejected by the president and the Army. The government initiative proposed signing a human rights and cease-fire accord if a definite agreement is not reached within 90 days. The proposal said areas should be established under UN supervision so the guerrilla organizations could gather their armed members, adding that the UN secretary general would be asked to establish the procedures.

The URNG accepted the 90-day deadline to discuss not only human rights issues but also substantial points in the general agenda with the participation of representatives from civilian groups. In addition, it proposed a bilateral cease-fire, the gathering of the two parties' troops in places that should be previously negotiated, and the creation of a support group.

The URNG also proposed signing a document that would include the government's pledge to dissolve the Civilian Self-Defense Patrols, reduce the Army by 50 percent, and purge military commanders and officers involved in human rights violations. This would be done "in accordance with the Queretaro Accord," the URNG said. A close scrutiny of the accord shows, however, it does not specifically refer to this issue.

The ensuing situation could preclude a solution to the stalemate that has afflicted the negotiations since August 1992. Greater UN participation and even greater pressure at the local and international level will be necessary to convince the two parties that their stubbornness and refusal to grant concessions is quite negative.

#### URNG Denies Involvement in Recent Attacks

PA3101224193 Guatemala City *SIGLO VEINTIUNO* in Spanish 29 Jan 93 p 2

[Text] In a press communique released on 28 January, the guerrillas said they had "nothing to do" with the recent attacks on power pylons, an ENFOPRENSA fax states. They claimed these attacks are part of "a psychological war campaign" by the Armed Forces.

The Guatemalan National Revolutionary Unity [URNG] insisted this campaign "is contrary to the negotiation process" that seeks a political solution to the domestic armed conflict and "the profound crisis facing Guatemala."

Meanwhile, Captain Julio Yon Rivera, a military spokesman, said the materials contained in the bombs that destroyed the pylons are the same type found in previous URNG attacks.

He mentioned the attack that killed a citizen on Moca Bridge. Capt. Yon added that the subversives left behind propaganda and used communiques to claim responsibility for such actions. Their claiming to have nothing to do with the attacks lead us to reach two conclusions:

1. The pseudocommanders definitely have no control over armed URNG members involved in terrorist acts in Guatemala.
2. They stir up the anthill and run.

Capt. Yon said Rodrigo Asturias, alias Gaspar Ilom, admitted during a television interview watched by Guatemalans on the "Free Meeting" program that the insurgents perform sabotages under the pretext that they serve to constrain the military. In fact, these attacks do not affect the Army in any way but damage the infrastructure and hurt civilians, Capt. Yon added.

#### Human Rights Official Reports to Congress

PA3101155293 Guatemala City *Teleonce Television* in Spanish 1830 GMT 27 Jan 93

[Report on Ramiro de Leon Carpio's, human rights ombudsman, report to Congress in Guatemala City on 28 January]

[Text] Ramiro de Leon Carpio, human rights ombudsman and Congress commissioner, reported to the Congress on 28 January that his recommendations are frequently challenged and disobeyed by the executive, contradicting the unrestricted support that President Jorge Serrano proclaims.

[Begin De Leon recording] As Congress commissioner, I must report that although President Serrano has respected human rights and supported the ombudsman, several officials, ministers, and the secretary of the

Presidency, among others, have reacted to the ombudsman's remarks and resolutions by confronting, challenging, and disobeying the ombudsman's recommendations. There have even been public confrontations recently. I wish to acknowledge publicly and thank the international community for its continued moral support for the ombudsman's actions and resolutions and financial support for activities in general, all of which are described in detail in the report presented. A resolution was issued recently on the aggression of several persons in Peten, including government environmental officials, treasury police, and journalist Omar (?Canas). The defense minister publicly rejected the resolution saying he did not have to obey the deadline set by the document because the Ministry had its own guidelines. This clearly indicated disobedience. Nevertheless, the minister finally accepted the resolution and ordered the investigations as required by and within the deadlines established by the ombudsman.

Apart from the contents of this report and the ombudsman's follow-up actions to establish truth in this particular instance, everyone will surely agree with me that the power and authority of the law should always prevail without any limitations because this reinforces the legal state. [end recording]

Other aspects of the report issued by the human rights ombudsman before Congress on 28 January are contained in the following remarks:

[Begin De Leon recording] In 1992, the human rights ombudsman received 6,614 reports compared to the 6,295 received in 1991. The reports were processed at the central offices, as well as at the departmental and municipal offices of the country. Of these 6,614 reports, 1,304 were accepted by the human rights ombudsman and the appropriate actions were taken. A total of 5,310 reports were found to be outside the jurisdiction of the ombudsman and were sent to the proper institutions.

During 1992 we received a total of 387 charges of illegal killings [muertes extrajudiciales]. A total of 21 cases were disregarded because they did not fall into the category. A total of 318 are still pending investigation. Forty-eight clear cases of illegal deaths were processed, 36 of which were attributed to the state and 12 were attributed to the subversive groups.

It is necessary to recognize that according to the statistics mentioned above and following a comparison with 1991 statistics, there has been a relative improvement in the area of illegal killings. There were 553 cases in 1991 and 387 in 1992. As I said before, only 48 cases have been labeled as such in 1992, but 318 cases are still under investigation.

We must consider, however, that human rights are either respected or they are not. In the case of the right to life, we cannot talk about comparisons. There was a smaller number of illegal killings this year but illegal killings did in fact occur. It is evident that the problem persists. The only difference is that illegal killings are no longer

carried out as they were in the past, when massive killings took place. They are more selective now. It has been proven that the lack of respect for life, dignity, integrity, and security of people still persists in Guatemala. This is important in the analysis of the human rights situation in the country.

There were a total of 99 kidnapping cases in 1992. Following investigations conducted by the human rights ombudsman, 27 cases were closed—six were reported dead and 21 turned up alive. A total of 62 cases are still under investigation to determine their status. Ten cases were confirmed as kidnappings: four were attributed to the state and six were attributed to subversive groups. As a reference, we can say there were a total of 93 [figure as heard] cases of missing people. According to our own investigations, a total of 31 persons have reappeared, two dead and 29 injured. Sixty-six are still missing.

Reports of kidnappings also show relative improvement, when 1991 is compared with 1992. There were 112 cases in 1991 and 99 in 1992. As I said before, only 10 of these 99 cases have been confirmed as such, four attributed to the state and six to the subversive groups. We cannot talk about comparisons or relative improvements in this historic moment for Guatemala. There were fewer kidnapping cases in 1992, but they did in fact occur.

According to the human rights ombudsman, both illegal deaths and kidnappings should not be viewed as simple statistics. They should be viewed as a contrast between our sad reality in the field of human rights and the progress achieved by Guatemala in its institutions.

Among the kidnapping cases—a scourge that has adversely affected many countries, especially in Latin America, including Guatemala of course—there was a case of national and international significance. We are talking about the case of Mrs. Maritza Urrutia in 1992, in which it was established that members of the security force were responsible for her kidnapping.

With regard to other violations, always related to individual rights, 165 threats, 83 illegal arrests, 148 abuses of authority, 59 attacks, and 91 miscellaneous deeds were committed during 1992. On the topic of threats, I would like to highlight that, unfortunately, the problem of [words indistinct] continued in 1992. It forced Guatemalans to leave the country because the government did not guarantee their security and personal integrity. Such events occurred in that [word indistinct] when individual citizens attempted to contribute or make justice prevail in Guatemala.

The internal armed conflict. It is also necessary to study other factors that affect respect for an individual. The factors are: the internal armed conflict and the common violence.

Regarding armed conflict, it leads to regrettable and unjustifiable bloodshed among brothers and causes [words indistinct] people to be relocated and to take

refuge in other countries. The forced recruitments, carried out by both sides in the conflict, uproot people in the most unprotected sectors from their homes. At the same time one party in the conflict justifies the rechanneling of resources that could be used to meet the people's urgent needs, the other party destroys the country's infrastructure.

Common violence. During 1992, common violence had a very negative impact on the safety of Guatemalans and ravaged our society. The situation is of public knowledge as it has been reported by the media and because Guatemalans have lived the experience themselves.

The violence we experience evidently has socioeconomic roots. As the guarantor of the citizens' security, the government has the responsibility to provide security. The authorities in charge of providing security, however, have demonstrated that not only are they unable to curb common violence, but also, in many cases, the security forces' attitude [words indistinct] make people more insecure.

Security forces and repressive groups. During 1992, security forces carried out actions that resulted in the death of one university student and injuries to six more students on Good Friday. They broke up a peasant and student demonstration, cleared the central plaza, carried out extrajudicial executions, forced disappearances, and other human and individual rights violations based either on their actions or their omissions. The security forces demonstrated their ineffectiveness in controlling the use of force in some cases and making use of irrational [words indistinct] against the people's security, dignity, and freedom. Two factors increase the magnitude of this problem. The first is the government's support by justifying [words indistinct] such actions because it could be interpreted to mean the government is adopting a policy that allows for the institutionalization of such behavior. The second is the lack of government control over repressive groups, which continue to act illegally and this, obviously, encourages impunity in Guatemala.

It is essential that the Guatemalan people see that the government has changed its attitude in confronting such a serious problem. A change of attitude with regard to its political decisions as well as in actions to ensure the security of citizens.

Media, the right to inform and be informed. The government's conflict with the national media worsened during 1992. Thus, the sacred right of freedom of [word indistinct] and thought has been violated and pressures and threats have weakened [words indistinct]. This is a basic right in a state ruled by law and one essential to strengthening the democratic process.

It is necessary for journalists to be allowed to exercise the human and individual right of having access to information so they can give it to the people who will, thus, be able to exercise their right to have accurate and honest information.

Unions and the Right of Association. Also during this year, several union organizations have had problems exercising the right of association. The human rights attorney general, thus, calls on the economic and political power sectors to respect the existing laws that safeguard the exercise of all union activities. We call on the central government to adhere to the labor and social welfare laws and become the protector of labor rights. We also call on the security forces to [words indistinct] citizen safety and strict compliance of the law.

Civilian Self-Defense. During 1992, we continued to receive reports that towns and hamlets were forced to join and remain in voluntary self-defense committees. The right of free association has to be implemented because Article 34 of the Constitution stipulates that no one will be forced to associate or form part of a group or [words indistinct].

Social Rights. Our reality shows us that, despite the advances, attainments, and undoubtable legal advancement, the human rights situation in Guatemala is truly stagnant, especially regarding social and economic rights. The social rights violation complaints we received during 1992 follows:

Health and environmental sector, 95; management sector, 20; abuse of minors, 112; education, 10; the recruiting of minors for military service, 78; plus various other violations, for a total of 335 [figure as heard].

In the economic and social rights area, the figures are: Indian community rights, 5; individual labor rights, 27; labor union rights, 20; municipal administration, 15; social and economic regime, 16; administrative behavior, 225; anomalies involving public officials, 120; various, 117; for a total of 545.

As I have said on other occasions, it is useless to speak of political will when we still do not have the capability to suppress the causes that prevent the existence of peace with social justice in Guatemala.

The violence that extreme poverty produces impedes the existence of true peace based on justice and full respect for human rights. This situation is further impaired by the violence that results from the armed struggle.

The situation becomes dramatic because the government envisages an integral social policy that would permit the progressive incorporation of the majority of the Guatemalans into an economic and social development process. We can observe the adoption of measures that favor economic growth and the implementation of actions that are some sort of social compensation to this policy.

Social and economic indicators reiterate that social, economic, and cultural rights are being restricted and demonstrate that the most elemental needs of the majority of the people, especially the Indians and the [word indistinct], are not being satisfied. This is why the human rights attorney two months ago proposed to Congress the approval of a new strategy on social or

collective rights for this new constitutional period. This strategy is included in the document: "Human Rights: A Commitment with Justice and Peace," which we have delivered to you.

There are several resolutions on civil and political rights. In 1992, the human rights attorney said that a significant number of cases involving irregular military recruiting and the recruiting of minors had been presented to his office. This office then listed direct institutional responsibilities based on norms that obligate the military authorities to comply with constitutional and legal precepts established for military recruiting. [end recording]

### Nicaragua

#### Comptroller General Potoy Comments on Dismissal

PA2901194493 Managua Canal Cuatro Television in Spanish 0300 GMT 29 Jan 93

[Report by Jorge Catin]

[Text] Mr. Guillermo Potoy is no longer the comptroller general of the Republic. The National Assembly dismissed him on the afternoon of 28 January.

The move has been completed. Potoy was dismissed on the afternoon of 28 January by the National Assembly at the request of President Chamorro. Potoy's efforts were in vain. On the morning of 28 January, he arrived at the Assembly to challenge the presidential request and accuse five deputies of corruption to try to prevent them from participating in the discussions.

After admitting his defeat, however, Potoy accepted his removal and announced that he will continue to struggle against the government.

[Begin Potoy recording] Once the Assembly manages to remove me at the request of Presidency Minister Lacayo, I will leave my position. Here in Nicaragua, we must continue fighting as we did against the Sandinist National Liberation Front [FSLN], which resulted in the National Opposition Union victory on 25 February 1990. At that time, we told the FSLN that we did not want more Sandinism because we were tired of repression, persecution, war, confiscation, and robbery. We will return to that struggle. [end recording]

While the Assembly plenum learned of the ruling of the commission formed to analyze this case, Lacayo denied that the dismissal of Potoy was due to political revenge.

[Begin Lacayo recording] The National Assembly is an independent state branch, so it is responsible for its own decisions. I think that to attribute such an important decision to political revenge between individuals is to try to make the problem appear as something else.

If the National Assembly made a decision on the matter, it is because they had a reason to do so. [end recording]

Dr. Sergio Ramirez read an epitaph, shortly before the vote that ended Potoy's reign at the Comptroller General's Office.

[Begin Ramirez recording] The comptroller general was used for revenge, political vengeance, and persecution. Comptroller General Potoy began to protect his fellow party members, proteges, and allies of his boss; he began to conceal their vulgar remarks and robberies and persecute honest officials who worked for the previous administration. An example of this was the case in Plasticine, because, according to him or his bosses, they were their political enemies. The comptroller general began to misplace documents and he became forgetful when it was in his allies' best interests. He said he did not have resources to perform an audit of the Managua mayor's office. [end recording]

This was followed by speeches by representatives of the center group, which sounded like the rasping breath of the last bastion of Cesar, namely the Comptroller General's Office.

The vote was unanimous and Potoy stopped being the comptroller general of the Republic of Nicaragua.

#### Editorial Sees Return to War, Faults Government

PA3001000493 Managua LA PRENSA in Spanish 25 Jan 93 pp 1, 12

[Editorial: "Once Again With a Finger on the Trigger"]

[Text] The Sandinist People's Army (EPS) announced that at midnight on 31 January the deadline will end for rearmed members of the "Nicaraguan Resistance" [RN] to move to sites designated by the disarmament agreements or risk being attacked.

Presidency Minister Antonio Lacayo has confirmed the decision and called the rearmed rebels "common criminals." The president has made no statements on the matter.

In other words, the country is witnessing the last peaceful moment before we go back to war, that great national tragedy the Sandinists inflicted on the country during the 1980's.

Thousands of youngsters bearing physical and mental wounds wander the country as a painful reminder of that absurd confrontation the Sandinists called "defending the country" and the democratic organizations called a just struggle against the communist tyranny that the 1979 revolution had become.

Whatever the case, billions of dollars were wasted on the conflict and the country's economy has not recovered from its consequences.

There are only a few days left to reflect on this ultimatum delivered by Humberto Ortega, commander of the Armed Forces, and Presidency Minister Antonio Lacayo.

The nation must be aware of what this means: renewed military spending, which would probably exert more pressure on the country's budget for the coming years to support the war effort. What is even more painful is the possible return of the draft and mandatory military service, the suspension of which was one of the main reasons for President Violeta Chamorro's electoral victory.

The people are worried that the deadline will pass, while it is clear that the disarmament agreements have not been fulfilled or have only been partially fulfilled.

The International Commission of Support and Verification, known as CIAV-OEA, which enjoys full support from the OAS—meaning support from the whole continental community—has publicly stated that approximately 30 percent of the agreement has been fulfilled.

The same CIAV-OEA has warned that "a third generation" of rebels is forming in northern Nicaragua. This means that the grandchildren of those who faced the EPS in the 1980's are now ready to enter battle.

The government has admitted that the agreements have not been completely fulfilled, because the lack of sufficient funds and in part the property ownership problem, which has never been settled, has made it impossible to grant land ownership titles. In addition, the crisis has prevented loans pledged to the RN farmers who surrendered their arms.

The conflict has degenerated into isolated instances of common crime, an effect caused by every armed confrontation. It is obvious, however, that there is a central issue that the government must approach responsibly. To generalize and derisively say that all of the rearmed men are "common criminals" is irresponsible.

The fact that the government did not want or has been unable to give the RN political party status is another argument wielded by those who have rearmed. Not only have most of the agreements gone unfulfilled for the RN, the civic way of struggling for their beliefs has been denied them.

This stands in painful contrast to what happened in El Salvador, where the civil war was of equal intensity or even bloodier than the one in Nicaragua and where political passion reached the levels of assassinations and terrorism. And yet in El Salvador, the two parties not only signed but fulfilled the agreements, thus setting an example of patriotic responsibility. As a result, peace was restored firmly, and the country progressed rapidly.

Much of what has happened here is very different. Many of those who surrendered their arms have reason to suspect that they, like Sandino, were lured to peace only to be ignored later while some of their companions were being systematically eliminated.

We believe there is still time for justice and the prevention of further bloodshed by both making good the

pledges made to those who rearmed by recognizing their civil rights. The country's peace demands these things urgently.

#### Presidency Minister Responds to Editorial

PA3001141493 Managua LA PRENSA in Spanish 27 Jan 93 p 1

[Letter from Presidency Minister Antonio Lacayo to Pablo Antonio Cuadra, LA PRENSA publisher, in Managua; date not given]

[Text] Mr. Pablo Antonio Cuadra  
Publisher, LA PRENSA

Dear Mr. Pablo Antonio:

I refer to your 25 January editorial "Once Again With a Finger on the Trigger" to protest as precisely as possible the alarmist, dangerous, and misconstrued concept of said editorial.

In statements I made in Pantasma on 22 January related to the issue, which I am quite sure you did not have at hand, I appealed specifically to the news media not to mention the groups operating in the rural regions of Nicaragua as contras or Nicaraguan Resistance. These groups who are illegally armed with dangerous weapons are making attempts against the safety, life, and the property of all rural workers, as well as farmers.

The Nicaraguan Resistance concluded its total demobilization on 26 June 1990 in San Pedro de Lovago, in the presence of President Violeta Barrios de Chamorro, Cardinal Miguel Obando y Bravo, and the highest-ranking United Nations Observers Groups for Central America authorities, who verified the entire process.

Their last leader, Israel Galeano, Commander Franklin, may he rest in peace, said that the Nicaraguan Resistance decided to demobilize as a heroic contribution to peace as a result of President Chamorro's investiture. As he said, they demobilized with their heads held high as a result of the pride one feels when a mission has been accomplished, the satisfaction of having risked their lives to contribute to leading the country to democracy.

Some of the demobilized began to doubt, however, the soundness of their decision and during the last months decided to rearm. They then proceeded to unearth the boxes hidden in the region bordering Honduras and adopted the name recontras. This decision only resulted in the rearming of other former Sandinists soldiers who also decided to unearth their own hidden boxes and adopt the name recompas.

Eventually, as a result of pressures from Nicaraguan society, which became alarmed by the insecurity along the highways and the economic incentives offered for their military weapons, both groups decided to demobilize during January, February, March and April 1992. Only the most nonconformist units in the group chose not to demobilize and decided to remain armed and openly violate our Constitution, as well as our laws.

Some of these groups that remained armed have turned into gangs. As the 24 January edition of LA PRENSA states in its first page article "Call for the Disarming of Gangs," these gangs are "merely criminals." This was confirmed by sources quoted by reporter Fidelina Suarez, such as representatives of the National Opposition Union, the Sandinist National Liberation Front, the Baptist and Catholic church, and the mayor of El Jicaró, Nueva Segovia.

Mr. Pablo Antonio, these gangs cannot be called "Rearmed of the Nicaraguan Resistance" because it would be an affront, as well as an injustice to the former Nicaraguan Resistance.

Being convinced that there are other armed groups who do not consider themselves criminals, however, and who might be interested in demobilizing, the Armed Forces and the National Police have instructed said groups to approach security zones and areas that have been established near Quilali and Camoapa. This will allow them to establish contact with the Special Disarmament Brigade (BED), set up by the president of the Republic to facilitate the disarming of civilians.

As public officials, it would be a mistake on our part, three years after those historic elections, to allow illegally armed groups to operate along highways used for productive purposes and by farm owners carrying their employee's payroll. I am quite certain that you would be the first to disapprove of such a decision if LA PRENSA was established in the community of El Jicaró and you were forced to travel regularly through those roads used by farmers in the north.

Due to the fact that we decided to enforce the law and promote citizens' safety, it is inappropriate to say "the nation is once again experiencing the somber moment when we are returning to war" as you mistakenly stated in your editorial. It is quite important for you to remind us of the "civil rights of the rearmed." Nevertheless, let us not forget the rights of those who have never taken up arms and who represent a significant majority in our country. Neither should you forget that this majority, because they decided to respect the law, are entitled to be protected from the threat posed by those who are now outside the law as a result of their decision to carry weapons.

Hoping that you will place this friendly letter in an appropriate place, I remain,

Respectfully yours,

[Signed] Antonio Lacayo, Presidency minister

#### **Publisher Replies to Presidency Minister**

PA3001141693 Managua LA PRENSA in Spanish  
27 Jan 93 pp 1, 14

[Reply by Pablo Antonio Cuadra, LA PRENSA publisher, to a letter by Presidency Minister Antonio Lacayo]

[Text] I find it is good democratic calisthenics for a minister to write a letter to reply and try to explain the views expressed in a newspaper editorial.

Despite its apparent democratic nature, Mr. Antonio Lacayo refutes all of LA PRENSA's reasons and dismisses the editorial—which he describes as "alarmist, dangerous, and wrong"—excluding the newspaper from any dialogue because the only one who holds the truth is the boss (according to a very Nicaraguan custom in the history of its rulers). For starters, I think that in view of the threat by an Army that sets an official date to DECLARE WAR on armed groups and people in the country's north, (be they called contras, recontras, recompas, or thugs) a sense of alarm is not out of place. That is why I wholeheartedly supported the editorial.

In addition, given the justifiable mistrust that the people, as well as LA PRENSA, have regarding the policy, plans, and objectives of the Army (an Army we do not even regard as national but partisan, as its name states), we are more than entitled to heighten our sense of alarm.

Most of all, we have to add to this the horrifying awareness that Nicaraguans know what a CIVIL WAR is, because we know how and when war breaks out, but we have never been able to predict how it will end and the tremendous consequences and harm it causes.

Second, the alarms sound more piercingly because we see, as if it were a photocopy, the similarity between the growth of the National Guard [GN] and its chief Anastasio Somoza and the history we are now experiencing. Current events remind us of the time when Anastasio Somoza increased his power gradually regarding Sacasa and used his armed forces to fight "thugs" (that is what he called Sandino's followers) in a war in Segovia that gave rise to much savagery and destruction but made it possible for a hardened and fratricidal GN to become the platform of a dynasty of dictators.

In addition, LA PRENSA does not feel it can label the Armed Groups. To do that, it would need a whole process with witnesses, accusers, defenders, judges, and legal procedures and not a minister's SUPREME I.

For that reason, LA PRENSA neither exults nor insults the Nicaraguan Resistance [RN] nor the rebels. They constitute a complex and dangerous phenomenon that is the result of bad or flawed policy. It is not we who are saying this but the International Commission of Support and Verification-OAS, which stated that only 30 percent of the promises made to those who surrendered their weapons have been kept.

Worse yet, since the time they surrendered their weapons until now, over 100 RN chiefs and deputy chiefs have been murdered. It is not LA PRENSA that has said this but the most honest and impartial voice in our Republic, H.E. Cardinal Miguel Obando y Bravo, who has said (not being alarmist but alarmed): "It is becoming the norm for crimes to remain unsolved, thus desensitizing our social conscience." If those crimes have taken place, is

this not the time to curb this situation with a balance of justice and not with the fratricidal bullets from the barrel of gun.

To conclude, the minister, giving this matter a personal overtone, mentions my name to tell me: "You yourself would disapprove of this attitude (by the armed people in the highways) if LA PRENSA were published in the town of El Jicaro and I had to travel those roads every day."

In truth and without moving to EL Jicaro, I have seen up close the disgusting and barbarian arson attack on the MANAGUA mayor's office. I have seen the Armed Forces take over the National Assembly and the Olof Palme Convention Center; I have seen doctors closing hospitals and leaving people near death or women in labor out in the street. I have seen people commandeer mass transit buses at gunpoint outside LA PRENSA, and I have seen people draw all sorts of weapons. Why extend the black list of two years of acts of subversion? An agreement has always been worked out, something that would have been a great patriotic policy had it been complemented with justice and had those serious crimes gone unpunished, thus abetting new crimes.

If those incidents that became weekly occurrences, casting a shadow over the country's civilian life, were settled through dialogue, why is war with a set date and with the brutal weight of servicemen armed to the teeth the solution now? Is it that the perpetrators of acts of subversion and thugs were Sandinists yesterday and sons and grandchildren of the "contras" today?

I authorized LA PRENSA's editorial to avoid war, the horror of war, and the horror of militarism that it creates—if possible.

LA PRENSA does not forget any right, and for that reason it issues its call for PEACE to the people of Nicaragua and the world. All rights end with war; it is a pity that the young Presidency minister is closing his eyes and unleashing forces he will not be able to control to inflict destruction and death.

[Signed] Pablo Antonio Cuadra, LA PRENSA publisher

#### **FSLN Official on Armed Men in Jinotega Department**

PA2901214393 Managua Radio Sandino in Spanish  
1830 GMT 28 Jan 93

[Report by Francisco de Jesus Rodriguez from Jinotega]

[Text] Approximately 200 armed men are involved in illegal activities in Jinotega Department. These men are using the land ownership issue as an excuse for their actions. It is reported that peasants are demanding 5,000 land ownership titles.

Marvin Castro, political secretary of the Sandinist National Liberation Front [FSLN], told Radio Sandino that throughout Jinotega approximately 200 armed men

are involved in assassinations, robberies, rapes, and general upheaval of the population. He said many of these men will converge in bands at a meeting point. In addition, some of the recontra leaders who are unwilling to disarm also will travel to the meeting point to talk with government officials. Nevertheless, they expect to continue their actions just as they did in December and part of January.

The FSLN believes the problem of the rearmed men has a number of causes and that the policy the government has applied is of the worst kind. Many of the rearmed men are inspired with the ideas of the far right and are demanding that the government pay attention to their stand. Others prefer crime, even advised by the CIAV [International Commission for Support and Verification]. Many of these men have resorted to these illegal actions to survive but their activities have been prompted by the social and economic instability that increasingly aggravates rural areas. The government must assume responsibility for the economic well-being of the groups that put their hopes in government pledges while it is the duty of the police and Army to control those who are violent. The demands by the armed men are centered on land for peasants. Peasants are demanding 5,000 land titles, release from the grip of the landowners, and bank loans for production purposes. If these demands are not met, all of the efforts will have been in vain. Here is Castro:

[Begin Castro recording] We know that the peasants do not want any further violence. They want peace. Peasants should play an active role in reinforcing peace because they are an important economic component. Peasants should turn a deaf ear to the ideas of the far right and the CIAV people who try to cause trouble. Peasants, regardless of their political tendencies, should try to reinforce their position as an important economic element in the country. [end recording]

#### **Editorial Views 'Crisis' of Rearmed Groups**

PA2901161293 Managua BARRICADA in Spanish  
28 Jan 93 p 11

[Editorial: "The Rearmed Groups Crisis"]

[Text] There are reasons for the new uprising of a relatively small group of former members of the Nicaraguan Resistance in the northern and central regions. Truly, those reasons are complex, but they cannot legitimize an armed struggle or justify the acts of vandalism, theft, and crime perpetrated against the civilian population during the past few weeks.

The only way to face any attack against people's lives is to apply justice equally to all, regardless of their political group. It does not matter if they are former members of the Sandinist People's Army, former contras, Sandinists, or members of the National Opposition Union. They must be persecuted so their crimes will not go unpunished. Otherwise, others will do the same.

Therefore, the ambiguous statements by the right and its self-styled moral leaders are reproachable. They only regret the deaths on one side and make the rearmen look like victims, when many of them are the attackers. Such an attitude reflects cheap politics, and is totally divorced from a genuine concern for the situation of peasants and for the peace process.

For the benefit of the solution we are all seeking, bishops and religious leaders, who are closer to the affected areas; producers with different political affiliations; cooperative members; agricultural workers; and councilmen, who have been the most affected by violence, do not share that partisan perception.

Some of the reasons given for the uprising are the insecurity of the rearmen and their fears of being killed by their political adversaries; the government's noncompliance with acquired commitments; and profound socioeconomic problems related to the lack of land, credit, technical assistance, and employment. All those reasons are true. There are, however, other reasons that are being ignored because of partisan interests.

On the one hand there are the difficulties faced by certain former contras to adapt to civilian life after being accustomed for almost a decade to an irregular military life, without any other rule than being ready to fire their guns. For many of those who now are rearmen—who represent the majority of the former contras—the war, and not work, became their *modus vivendi*.

On the other hand, there is agreement between the rearmen groups and extreme right groups, who also have become accustomed to making a profit from the past war and who are trying to benefit from the peasant phenomenon, to create a permanent military front, no matter how small, to boost their shares in the political stock market.

By reviewing this problem with multiple causes and saying it cannot be resolved with an exclusively militaristic and urban view is not the same as denying that the Army and police have a fundamental role to play in restoring law and order. The Army made a mistake by openly announcing an "ultimatum," which has already had negative effects by politicizing the problem. It is clear, however, that an overall peace plan with its corresponding package of socioeconomic agrarian measures, will not resolve anything unless it is accompanied by legitimate actions of force, pressure, and order. Tying the hands of the Army and police would be as mistaken as placing all the responsibility for the peace process in those institutions.

The country cannot continue living from one negotiation to the next, which only creates new cycles of uprisings and slows down the peace process. That is why we say the crisis of the rearmen groups must be viewed as a state problem in order to find a definitive solution. The problem not only concerns the Executive Branch, but concerns all the sectors of society committed to maintaining national stability.

The government should take a firm step by rectifying its lack of institutional coherence, to implement actions to strengthen agrarian reform; municipal, productive, and social projects; and measures aimed at restoring order and justice. The rest is everyone's responsibility, bearing in mind the bitter lessons of the past.

## Panama

### President Extends Assembly's Extraordinary Sessions

PA3101175293 Panama City EL PANAMA AMERICA  
in Spanish 31 Jan 93 p 1

[Report by Arnulfo Barroso Watson]

[Text] President Guillermo Endara has extended the extraordinary sessions of the Legislative Assembly until 28 February, as it has not completed debating the draft bill for the creation of the Interoceanic Region Authority (ARI).

Endara's decision is established through Executive Decree 9 of 29 January, which bears his signature and that of Presidency Minister Julio Harris.

Only one of the 65 articles that form the ARI draft bill has been approved to date by the Legislative Assembly during the extraordinary sessions called by Endara on 11 January (for 30 working days), which will end on 3 February.

The legislators approved Article 1, which reads: "The ARI of Panama—hereafter called The Authority—is hereby created as an autonomous state entity which will have legal status, its own patrimony, and autonomous internal guidelines."

Fifty-six changes have been added to the draft bill, 47 proposals from the Christian Democratic Party (PDC) and nine from the government bloc.

If the ARI draft bill is not approved during the extraordinary sessions, it would have to go back to first debate and the time and money invested in summoning the legislators would be lost.

Actually, only the Democratic Revolutionary Party (PRD) bloc opposes the approval of the ARI draft bill. The PDC and government blocs have agreed to approve the ARI draft bill but after including the 56 changes they have proposed.

### Customs Director Rejects U.S. Officials' Drug Claims

PA3101225993 Panama City EL PANAMA AMERICA  
in Spanish 30 Jan 93 p 3a

[Report by Carlos Vargas]

[Text] Customs Director General Rodrigo Arosemena on 29 January assured "there are fewer drugs" in

Panama now than during the military regime. He flatly rejected claims by U.S. officials that drug trafficking has increased in our country.

Arosemena said "there are fewer drugs here than in the past" because authorities have the "political will" to repress drug trafficking.

As for the U.S. officials' claims that drug trafficking has increased in Panama, Arosemena said "it (the United States) should be thankful" for the amount of drugs seized by Panamanian authorities, who have prevented thousands of kilograms of cocaine from entering that country.

The customs director added that U.S. officials should "criticize less and help the Panamanian Government more to ensure that we can continue to seize more drugs."

Arosemena said that the sole current problem is the "small gang" Noriega established abroad that is currently trying to establish a market here.

#### **Government To Request Jurisdiction in Drug Case**

*PA2901202093 Panama City EL PANAMA AMERICA in Spanish 29 Jan 93 p 14a*

[Report by Juan M. Diaz]

[Text] Foreign Minister Julio Linares said that the Panamanian Government will request that the United States transfer to Panamanian jurisdiction two Panamanian-born soldiers serving in the U.S. Army who have been charged with drug trafficking. The request will be made through the Joint Committee for the Execution of the Panama Canal Treaties.

Soldiers Roberto Antonio Perry and Donald Carl Waters Richards [names as published] are allegedly involved in taking four kgs of cocaine to the United States, a crime that carries a 45-year prison term. In this respect, Linares stated that steps are being taken so that both Panamanian citizens fall under Panamanian jurisdiction.

The foreign minister said, however, that according to what has been established in the Canal Treaties, the United States has preferential rights in exercising jurisdiction over the accused as the crime was perpetrated inside a U.S. military base.

He stipulated that in this case the Panamanian Government can request that the United States transfer the alleged drug traffickers, but this can only occur through a humanitarian dispensation by U.S. authorities.

#### **Article Urges Legislative Discussion of ARI**

*PA2901193093 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Jan 93 p A5*

[Article by Guillermo Cochez, Christian Democratic Party, PDC, legislator: "What is Happening With the Interoceanic Region Authority"?]

[Text] Since 1979, the year when the 1977 Panama Canal Treaty was implemented, all Panamanians have been pondering what to do with the land, buildings, and other numerous installations that will revert to Panama as a result of the treaty. A significant portion of these areas that have already reverted to our jurisdiction constitute a genuine monument to negligence, lack of interest, and hesitation by our governing officials to incorporate them into national development projects. Those of us who have been able to visit the reverted areas cannot avoid feeling overwhelmed by the feeling of shame over our inability to accomplish what other nations in similar situations, the Philippines for example, have been able to do. As a nation, we have allowed these resources to become covered with underbrush as time passed.

We now understand why the military was never interested in incorporating the reverted areas into national development projects. We are well aware of their intentions by allowing a railroad to become inoperative and ports to become unable to meet the challenges of world trade. Included as part of the military "nationalist" and "patriotic" project, which during the last seven years represented Noriega, was the concept that all Canal operations, as well as the management of all reverted property, would be the exclusive jurisdiction of the military. In this respect, the elimination of the foreign military enclave simply meant transforming it into a Panamanian military enclave. In this formulation, even the gringos agreed with the Panamanian gorillas up until, for whatever reasons; they decided to fight to the death with their former collaborator Noriega. The saying "Everything for the Fatherland" [Todo Por La Patria] came to signify "Everything for Them" [Todo para Ellos].

Moreover, let it be understood, even the Revolutionary Democratic Party [PRD] agreed with the militarist project of the 1977 Treaty. To the PRD, the fact that the military would keep their share of power, the entire Canal, its operation, and the reverted areas, was unimportant as long as they remained the "political arm" of the military. That is why the demagoguery the PRD has been using at the National Assembly to block the Interoceanic Region Authority [ARI] discussions vanishes when weighed against the fact that they never dared raise their voices to protest their patrons' intention to militarize anything that had to do with the Panama Canal.

We are now debating in extraordinary sessions the bill proposal presented by the Executive Branch, which seeks to provide a rational use of the reverted areas valued at 30 billion balboas. It would seem that the position

adopted by some, despite the 15-year historic delay in dealing with the issue, reflects a certain fear to confront such a significant decision. Sometimes I believe they want the military to return so they will be the ones to control all these resources, as they originally intended, that with each passing day continues to depreciate because of the indifference of our past and current government officials. On other occasions, I imagine the apprehension of certain sectors reflects the fear that the Americans are leaving in 2000, and they will leave us all alone. This indicates a certain conviction that we will not be able to operate the Canal, much less wisely manage everything that has reverted and will continue to revert to Panama during the forthcoming years.

The main concern that exists, and it must be said openly, is that the government we now have offers no guarantee that things will be managed seriously and with the integrity that is required. This is the reason for the modifications introduced by the Christian Democratic Party and organizations such as the Panamanian Association of Business Executives during the first debate, as well as during the time when the project was frozen. Thus, anyone, even the PRD, who has something to say should be on watch for the debates to add any modifications that will provide guarantees to the nation to prevent, as has been irresponsibly said, the ARI becoming a project that the oligarchy intends to impose to divide the reverted areas among themselves.

I trust people like J.J. Vallarino, who was appointed by the Executive Branch as an unpaid promoter for the project. I suppose he will go home after the approval feeling satisfied about the service he has rendered the country. I trust that we legislators will be able to find nine capable and worthy Panamanians, who will elect a general administrator from among themselves to serve unselfishly on the ARI Board of Directors and safeguard our best national interests. I trust all the modifications we will make on the ARI will produce a legal instrument that will allow us to incorporate all the national wealth into the most needy national development projects and demonstrate to the Panamanian people and the whole world that we are not afraid to face the enormous challenge, particularly for those who have less and become more and more frustrated as the days go by because there are no answers to the serious unemployment and the profound social deterioration.

With an attitude such as this, the country will be able to evaluate what the legislators will do with the ARI issue. What we cannot allow is the discussion of such an important national issue to be postponed, for whatever excuse. It is time the Legislative Assembly return to the path Panamanians expect us to follow. If we should fail to do so, it would be better to discharge us for our incompetence and for turning our back on our country and its urgent needs and cries. For the first time in a long while, our legislature has the floor.

## Argentina

### New Taxation, Banking Regulations Announced

PY2901191093 Buenos Aires NOTICIAS  
ARGENTINAS in Spanish 1022 GMT 29 Jan 93

[Text] Buenos Aires, 29 Jan (NA)—Economy Minister Domingo Cavallo has announced a package of measures aimed at reducing the so-called "Argentine cost." The measures include eliminating stamp duty in Buenos Aires, eliminating bank deposits for periods under 30 days, and authorizing financial institutions to operate on the real estate and stock markets.

The stamp duty will practically disappear from Buenos Aires as of 1 February, with the only exception of real estate ownership certificates, on which this duty will continue to be paid.

Only the certificates of ownership of single family low-cost houses—which have thus far paid half of the one percent stamp duty—will be exempted.

Consequently, contracts in general, such as mortgage, insurance contract, and transaction bills—among others—will no longer pay this duty in Buenos Aires.

As of 1 February, bank deposits for periods under 30 days will be eliminated. Restrictions on withdrawals from savings accounts (currently, funds may be withdrawn only five times a month) will be also eliminated.

The requested minimum cash for time deposits will be eliminated, along with the requested reserve or supplement for checking accounts and savings accounts in local currency.

Also as of 1 February, 30-day bonds may be issued, while restrictions on stock exchange swaps and collateral surety on public securities, stocks and other private securities—operations that should be implemented over a minimum period of 30 days—have been lifted.

Banks will be authorized to operate as stock exchange and real estate market agents, and even as owners of majority stocks in stock exchange corporations. This measure seeks to promote competition and reduce commissions.

As of 1 April, financial institutions will have to refund the checks paid to their clients, as part of a system called "verifying checks." It is estimated that this system will help to control tax evasion.

Regulations for granting credits to small and medium-sized enterprises will be made more flexible.

During a press conference, Cavallo, who was accompanied by Public Income Secretary Carlos Tacchi and Central Bank President Roque Fernandez, said the main beneficiaries of these measures will be "the productive, commercial, and agricultural sectors and all those who want to make investments."

Cavallo emphasized that with the elimination of the stamp duty in the capital, "transactions will be cheaper, while funds will be released and tax evasion will be fought through other channels."

Tacchi said that "in a stable situation, a stamp duty means reduced competitiveness for local products in comparison with imported goods." The minister called upon the provinces to adopt similar measures, eliminating a "distorting" tax.

Cavallo added that the modification of the tax system will have no impact on fiscal accounts, noting that since he took office, 18 taxes were eliminated and tax revenues have grown steadily.

He emphasized that two days before closing the accounts of January, the General Taxation Directorate had collected 71 million Pesos above the expected revenues, while customs revenues did not meet their estimates.

"That is a good symptom," the minister said, "because it shows that imports are dropping and that only those items that pay no tariffs and statistics tax—which are the capital goods needed by the country—are entering the country."

He emphasized that the modification of the financial market "means substantial simplification for institutions and for account owners."

Nationwide, stamp duty revenues amount to approximately 430 million pesos annually. This revenue will not be totally lost because the duty will still be paid on real estate that is not within the category of "single family low-cost house."

Tacchi warned that "the federal capital has not been converted into a fiscal paradise that will leave provinces without revenues, because even when an ownership certificate is issued in Buenos Aires on a property located in a province, the appropriate stamp duty will have to be paid to the province."

In some provinces, stamp duty amounts to four percent of the property value.

### Armed Forces To Purchase U.S. Equipment

PY2901224193 Buenos Aires NOTICIAS  
ARGENTINAS in Spanish 1325 GMT 29 Jan 93

[Text] Buenos Aires, 29 Jan (NA)—A report prepared by the Unity for the New Majority Studies Center [CEUNM] reveals that for the first time since the Malvinas war, the Armed Forces this year will purchase U.S. military equipment worth approximately \$200 million. According to a survey carried out by CEUNM, the Armed Forces will receive a total of two ships, 20 OV-10 Mohawk reconnaissance airplanes, and 36 A-4M Skyhawk fighters.

The 20 Mohawk planes the Army is to receive in 1993 will be sold at a "donation" price between around \$60 million and [words indistinct].

The first of the U.S. planes were incorporated into the Argentine Air Force in December 1992, while the remaining 18 will be gradually added over the course of this year.

These planes were manufactured between 1969 and 1970, and participated in surveillance and intelligence tasks during the Gulf war.

Argentina will be the first country to receive these U.S. planes, while [words indistinct] South Korea. Chile and [words indistinct] have shown interest in this regard, according to the report.

The Navy will incorporate the two U.S. ships late this year.

The first acquisition will be a 30-tonne logistics ship which can transport food, fuel, and ammunition, supply other ships during navigation, and serve as a repair shop.

The other ship is smaller and similar to patrol ships such as the Gurruchaga used by the Argentine Navy.

"This operation began in February 1992 when former U.S. Defense Secretary Dick Cheney visited Argentina," the CEUNM report states.

The amount involved in the operation and its financing will be defined during the next few months.

In the case of the Air Force, the government defined last December the purchase of 36 Skyhawk A-4M airplanes from the U.S. Navy.

A technical mission concluded in December by selecting the airplanes, which were manufactured by McDonnell Douglas between 1975 and 1979 and are worth a total of \$94 million.

Each aircraft has had an average of 3,000 to 4,000 hours of flight time, or in other words has approximately 60 percent of its useful life ahead, according to the study. The selection was made by Argentine pilots at an air base in Tucson, Arizona.

Thirty-two of the airplanes are one-seater aircraft, while the remaining 4 are two-seaters to be used for training. This type of aircraft is used in Israel, Kuwait, New Zealand, Singapore, and the United States.

If the terms are respected, the aircraft will be delivered by the end of 1993.

The CEUNM states that this year the Armed Forces will receive military materiel worth approximately \$200 million.

"More than one-third of the total amount is a donation, another part will be compensated for with services, and

the rest will be financed with soft loans to be repaid in several years," the study states.

It adds that this purchase will mark "a change of trend" in the Armed Forces, since Argentina has not purchased this kind of equipment since the Malvinas War in 1982.

However, it will not imply "a substantial change in the operations capability of the Armed Forces, nor will it resolve its most urgent problems," the study states.

This "change of trend" can also be observed in the sale last December of four Pucara airplanes to Sri Lanka for \$10 million.

These units, which will be used to repress the separatist Tamil "Liberation Tigers" guerrillas, will change the lack of definition over the past few years in sales of ships, airplanes, and tanks abroad.

According to the study, the acquisition of war materiel from the United States exclusively falls within the framework "of the Navy's participation in the Persian Gulf conflict (1990-1991), the Army's participation in the multinational peace forces in former Yugoslavia and Somalia (1992-1993), and the deactivation of the Condor-2 missile project. [no closing quotation marks as received]

#### Minister Blames Peak Power Cuts on 'Sabotage'

PY3001004393 Buenos Aires BUENOS AIRES  
HERALD in English 29 Jan 93 pp 1, 5

[Text] (NA-DYN)—Economy Minister Domingo Cavallo yesterday blamed peak demand power cuts on the "permanent sabotage" of high tension powerlines and power generating plants over the last two years.

The energy situation was discussed at yesterday's Cabinet meeting, presided over by Acting President Eduardo Menem, standing in for his brother, President Carlos Menem, who is away in Switzerland.

At a press conference after the meeting, Cavallo said he had "strong suspicions" that the recent string of power cuts in the Federal Capital had been caused by sabotage.

Cavallo also reaffirmed support for Energy Secretary Carlos Bastos, calling him an "international-level expert." He said that since the new invoicing system has been in place "30 percent less electricity is stolen."

The minister said that "some wiseguys who didn't pay before will have to now, because the country of the smart alects and the rich and famous is now over."

However, Cavallo admitted that "the government is worried about the possibility of new sabotage attempts during the peak demand periods of July and August. Every time consumption increases in peak periods or when an important event is to take place, like a big soccer match, highly sophisticated sabotage is attempted right at the critical moment so that blackouts occur."

Apart from the case detected last year, Cavallo said that other attempts had been made on cable pylons and thermo-electric generating plants "where oil was drained from the bearings causing a drastic reduction in generating capacity."

He added that there has also been interference in the transmission network which had been carried out by experts "who are running a big risk." Later, at the Economy Ministry, he hinted that certain sectors of the carapintadas could be responsible for these sabotage attempts, basing his argument on the fact that during their December 1990 uprising, they took over the Puerto and Costanera generating plants.

Cavallo claimed that people are hindering electricity generation by slowing the privatization process. He said "the best way to produce electricity cuts in July and August is to put the brakes on Hidronor's [North Patagonia Hydroelectric Company] privatization."

### Bolivia

#### Paz Zamora Has 'Great Expectations' for Clinton

PY3001020193 La Paz HOY in Spanish 21 Jan 93 p 9

[Text] President Jaime Paz Zamora said yesterday that he had great expectations of Bill Clinton, who was yesterday sworn in as U.S. President.

"In the inaugural speech by the new U.S. President it is clearly visible that he is willing to turn that northern country into a factor of peace and progress for its own people and for the rest of the peoples of the world," Paz said.

He added that he sensed a very well-intentioned speech, delivered with goodwill and recalling the basic ideals upon which that great country was founded, and which Bolivia shares.

"Let us hope everything he said will be seen through a concrete policy carried out by President Clinton toward Latin America and our country," the Bolivian president added.

Finally Paz Zamora expressed his best wishes, in the name of the Bolivian people, on the first day of his mandate.

Meanwhile Bolivian Foreign Minister Ronald MacLean agreed with the president, expressing his best wishes to the new U.S. Administration.

"Clinton brings new hope in being a president from a new generation, and if he follows the traditions of the Democrats we hope he will also give priority attention to Latin America," he said.

Asked whether changes will be brought about by the Clinton administration MacLean said he expected them, but in the good sense of the word, bringing new initiatives for the South American countries.

#### Producers Chart Shows Advantages of Coca

PY3001234193 Cochabamba LOS TIEMPOS in Spanish 22 Jan 93 p B4

[Text] According to a chart producers began disseminating in the area to pressure the government about debts contracted through the alternative development program, the reduction of coca plantations in the Chapare region costs each peasant nearly 52,400 bolivianos per hectare in losses per year.

According to producers, each hectare of coca produces 15 coca stacks [cargas] every three months, which is sold at the market price of 150 bolivianos per stack. Each hectare thus produces 60 stacks of coca annually, which multiplied by 150 bolivianos yields a net profit of 9,000 bolivianos per year.

The loss is even greater when this figure is compared with the compensation they receive for the elimination of each hectare planted with coca. The government gives coca producers \$2,000, or 8,200 bolivianos, for the elimination of each hectare. This amount is not even 10 percent of the profits they receive if they are producing coca.

Peasants claim that the losses resulting from the elimination of coca plantations cannot be compared with anything, because neither the compensation nor the financing of alternative crops can reduce their desperation and misery.

The chart also shows the loans and debts of more than 1,000 peasants with the PL-480 [expansion unknown] program. This program withdrew from the financing activity related with incentives for the coca plantation reduction program and handed the responsibility to Agrocapital, a new institution in Cochabamba. Agrocapital announced the rescheduling of peasant debts but at different interest rates and only after a certification that they had destroyed their coca plantations.

The study shows that a typical peasant borrowed \$8,000 and invested 5,500 bolivianos of his own to plant citrus plants, without knowing when he will get a return. Meanwhile, the company has already announced that it will begin collecting the debts by legal means if peasants do not pay interest or part of the principal.

The chart comments at the end that peasants prefer to plant coca because of the economic advantages involved.

### Brazil

#### 'Counteroffensive' Prepared Against U.S. Surtax

PY3001133193 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 30 Jan 93

[Text] The Brazilian Government expects the U.S. decision to impose a surtax on its steel imports to be lifted within the next few days. However, if this does not

happen, Brazil is ready to launch a counteroffensive, said Foreign Minister Fernando Henrique Cardoso.

The minister said the restriction the U.S. Commerce Department imposed on Brazilian steel through the creation of surtaxes is not a closed matter because U.S. officials still are negotiating it. However, the minister said, Brazil already has devised its counteroffensive in case the decision stands:

[Begin Cardoso recording] Yesterday I authorized Brazilian Ambassador to GATT Celso Amorim to make a speech on 9 February raising the matter in political terms. If [words indistinct], we will lodge a formal complaint. [end recording]

The minister yesterday attended a meeting in Sao Paulo sponsored by state Governor Luiz Antonio Fleury. The meeting expressed support for a constitutional amendment changing regulations for the election of state representatives to the federal Chamber of Deputies.

#### **Employee Takeover of State Company Proposed**

PY3001020393 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 29 Jan 93

[Text] Control over the Brazilian State Shipping Company may be handed over to the company's employees. This proposal has been made by the government, as it has not found anyone interested in buying the company.

The Brazilian State Shipping Company has 19 ships, but only four are in good condition. One is being held in Malaysia as collateral for a debt that has already expired. The company owes almost 8 trillion cruzeiros, and the entire company assets have been evaluated at just over 2 trillion cruzeiros.

According to the Transportation Ministry, private companies are not interested in buying the company. This is why President Itamar Franco decided to hand over the company to the 1,030 employees, who will have two months to organize a new administration. Before that can happen, the company's finances must be balanced, making its debts equal to the value of its assets. This means the government will have to pay out more than 6 trillion cruzeiros. According to Transportation Minister Alberto Goldman, if in two months the employees have not become organized as owners of the company, the Brazilian State Shipping Company will be shut down.

[Begin Goldman recording] The Brazilian Government is not in any condition to operate a merchant marine enterprise, which has to negotiate in various parts of the world, and has to negotiate with shippers, exporters, and importers. This is a type of commercial activity that the government cannot carry out. [end recording]

#### **Portuguese President Speaks With Franco**

PY3001004093 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 29 Jan 93

[Text] Portuguese President Mario Soares today told President Itamar Franco over the telephone that he is annoyed that some Brazilian citizens had been forbidden entry to Portugal. The Portuguese president also said that he had sent a letter to Prime Minister Cavaco e Silva requesting that he adopt measures to prevent such an incident from happening again.

Brazilian Foreign Minister Fernando Henrique Cardoso today said in Brasilia that he would send Itamaraty officials to Portugal to discuss the rules for the agreement allowing Brazilians to enter Portugal.

### **Chile**

#### **Aylwin, Krauss on Honecker, Chemical Weapons**

PY3001113593 Santiago Television Nacional de Chile Imagen Internacional in Spanish 2330 GMT 29 Jan 93

[Text] The government has said that Chile believes the way German justice has processed the court summons for Erich Honecker is totally ineffective. In a light-hearted tone, Interior Minister Enrique Krauss downplayed the fact that the German notification was sent without consulting Chilean officials.

[Begin Krauss recording] Since they paid the corresponding postage there is no problem, otherwise the letter would have been fined, which unfortunately would have had to have been paid by Mr. Honecker. Mr. Honecker will decide whether he will abide by the German court summons. I rather believe he will not attend. This situation, from the point of view of the administrative authority and mainly of the court authorities, totally lacks effectiveness. [end recording]

Krauss explained that in order to comply with the judicial summons in Chile, the summons should have been addressed to the Foreign Ministry, and then the Supreme Court would have decided whether the summons was applicable or not.

Krauss also was asked about some press reports saying Russian security services reported that Chile had chemical weapons manufactured during General Pinochet's regime. Krauss categorically denied this.

[Begin Krauss recording] Nyet [in Russian]. [end recording]

Minister Krauss' statements were supported by Justice Minister Francisco Cumplido.

[Begin Cumplido recording] No, that is not true. [end recording]

President Patricio Aylwin also spoke about these same subjects in Puerto Montt. The president said the government does not agree with the judicial resolution to prohibit making public some facts of some trials.

In a two-day tour of the 10th Region, President Aylwin arrived this afternoon in Puerto Montt. He briefly spoke with the media as soon as he got off the airplane. He said he will continue touring the country until the last day of his administration. As for the Honecker case, he did not rule out that the courts may hear an extradition case, because it is an international law practice.

In the face of the prohibition established by a military court not to inform the public about trials that attract the public's attention, Aylwin said the government respects such a ruling.

[Begin Aylwin recording] At the same time, however, we have certain objections to the law that regulates this subject, and we think it should be modified. [end recording]

President Aylwin flatly ruled out some reports saying Russian secret services reported that Chile continues to manufacture chemical weapons.

#### **Aylwin Promulgates State Defense Council Law**

PY3001134193 Santiago Radio Chilena Network in Spanish 1000 GMT 30 Jan 93

[Text] President Patricio Aylwin has promulgated the new State Defense Council Law, which restores the council's independence and expands its functions.

The council will be in charge of preserving, in the courts, state interests other than assets and state fiscal interests. The council also will provide advice on matters that are particularly relevant for the state.

Aylwin delivered a speech during the ceremony.

[Begin Aylwin recording] I believe the law that established the independence of the State Defense Council was a good law, and that it was a mistake to cancel it because the council is in charge of very specialized functions that should be performed with autonomy. It is council members who should decide when to undertake an action and how to undertake it, outlining the best way to preserve state interests that are being jeopardized. This cannot be subject to guidelines or decisions coming from the government. [end recording]

President Aylwin emphasized that the current government respects the council's independence. Consequently, he said, I thought it was consistent to back this law.

The ceremony also was attended by Justice Minister Francisco Cumplido, who, in response to a question, said the decision to pardon prisoners still is being studied.

#### **Aylwin Appoints New Supreme Court Justice**

PY2901212193 Santiago Television Nacional de Chile Imagen Internacional in Spanish 2330 GMT 28 Jan 93

[Excerpt] Judge Victor Hernandez Rioseco, from the Concepcion City Court of Appeals, has been appointed Supreme Court justice by President Aylwin. Hernandez Rioseco, 75, who is being raised to the highest court in the country after 48 years of working at the bench, considers this appointment a gesture of appreciation for the services he rendered to the judiciary in Chile's regions. [passage omitted]

### **Colombia**

#### **Unidentified Men Attack Garrison in Pereira**

PA3101180593 Madrid EFE in Spanish 1555 GMT 31 Jan 93

[Text] Pereira, Colombia, 31 Jan (EFE)—Four people died on 31 January when several men, apparently guerrillas, attacked a military garrison in Pereira in western Colombia, the Caracol radio network has reported.

Colonel Humberto Plata, commander of the San Mateo Battalion, stationed in Pereira, reported that several unidentified men stabbed to death the guard at the main gate and then entered the garrison in Pereira, capital of Risaralda Department.

The assaulters attacked the soldiers on duty who tried to repel them. Col. Plata added that the identity of the attackers is unknown.

#### **DAS Kills Criminal Group Leader**

PA3001172993 Santa Fe de Bogota EL TIEMPO in Spanish 25 Jan 93 p 10a

[Text] On 23 January the Administrative Department of Security (DAS), Sucre Department Section, inflicted a new blow against the Francisco Caraballo criminal group when it killed one of its leaders who was in charge of finance.

This is the second successful operation against the Caraballo group in less than 48 hours. On 21 January the DAS captured Rafael Ignacio Cabrales Alvarez as he was traveling on an interdepartmental bus. Mr. Cabrales is the alleged head of the group operating in Uraba.

During the afternoon hours of 24 January another group leader, Miguel Jose Ramos Clemente, "Israel" or "Migue," was killed in Los Carretos, corregimiento of San Andres de Sotavento, Cordoba Department.

DAS Director Raul Calderon Azuero pointed out that Mr. Ramos Clemente was killed during a gunfire exchange with DAS units. He also stated that three knapsacks, a fragmentation grenade, a shotgun, military equipment, and subversive propaganda were confiscated which clearly link Ramos Clemente to the extortion and

kidnapping activities carried out by the Caraballo group in Sucre and Cordoba Departments.

There was a pending arrest warrant issued by Section 22 of the Chinu (Cordoba) Office of the Prosecutor for Mr. Ramos Clemente, who was being charged with several crimes including extortion, kidnapping, and terrorism.

Mr. Ramos Clemente's location and subsequent death came about as result of a telephone call disclosing his presence in Los Carretos.

At the time of his death, he was carrying two citizens identification cards that were later handed over to the Sincelajo Eighth Circuit Court prosecutor.

In addition, during the evening hours of 24 January, several alleged Army of National Liberation members killed a member of the National Police Armed Specialized Group (CEA) in Aguachica, Cesar Department. In addition, two more policemen were seriously injured during the attack.

The incident took place at approximately 2200 in the La Pampas Inn [estadero], a local nightclub, when four armed men arrived and started shooting at Second Corporal Abelardo Sabala and agents Jose Vicente Sanchez Moscoso and Luis Alfonso Sanchez Ortegón. All of the policemen were dressed as civilians. Agent Sanchez Ortegón, 24, a native of El Espinal (Tolima), died at the site of the attack. His two colleagues were taken to the Aguachica Regional Hospital.

#### **Authorities Claim Shining Path in Amazonas**

*PA3001044393 Santa Fe de Bogota EL NUEVO SIGLO in Spanish 25 Jan 93 p 10*

[Text] The Shining Path has infiltrated Amazonas Department and wants to take over Leticia, the capital. This was charged by Diego Quintero Hernandez, Amazonas Department governor, who assured that members of that Peruvian subversive group are infiltrating the Amazonas Department jungle area with equipment and weapons.

In addition, the regional governor disclosed that Colombian rebels are also engaged in operations in Peru.

Quintero Hernandez said this issue was discussed by the Security Council but, the Amazonas Department has no security. Since this department is on the border, the Colombian authorities have problems because, just by crossing the river, the rebels are in the other country.

"The Army and the police cannot do anything because if they did, they would be violating Peruvian sovereignty," Quintero Hernandez said.

The governor said he held meetings with the Peruvian military so necessary measures are taken. Moreover, he said he expected to meet with Foreign Minister Noemi Sanin de Rubio on 25 January to find a solution to what

he labeled as a very serious problem for Amazonas, as well as for the other border departments.

Quintero Hernandez said the Amazonas territory does not have the security required to confront the Colombian guerrilla actions, much less those of the Shining Path.

The governor called on the national government's solidarity and noted that Amazonas Department is one of the Executive Branch's most forgotten regions.

#### **Police Dismantle Drug Cartel in Northeast**

*PA3101231693 Santa Fe de Bogota Inravisión Television Cadena 1 in Spanish 2300 GMT 29 Jan 93*

[Report by Jeanette Zepeda]

[Text] A hard blow has been dealt to drug traffickers. The drug cartel operating in northeastern Colombia has just been dismantled in the so-called Operation Alcatraz conducted by nearly 400 police officers and members of the Attorney General's Office and the Prosecutor General's Office.

The drug trafficking network, which operated in Santa Fe de Bogota, Barranquilla, and Bucaramanga, was involved in all types of apparently legal businesses ranging from hotels to well-known car dealers.

Thirty-nine raids have been conducted in different parts of Bucaramanga over the last few hours. According to the authorities, the investigation was coordinated by the Prosecutor General's Office and took six months to identify and locate the leaders of the drug cartel operating in northeastern Colombia. In Bucaramanga, the police raided homes in the neighborhoods of El Llano, Canaveral, and El Centro. The drug traffickers were involved in illegal activities conducted from offices, warehouses, and workshops that operated in this area. One of the places that served as a meeting and recreation area for the drug traffickers was a motel located on the road to the airport. A total of five persons were captured in the city, and they were all turned over to the Santa Fe de Bogota Attorney's Office on 29 January.

[Begin Bucaramanga Police Commander Humberto Pineda recording] They are all originally from the region, but there are specific charges against them. Naturally there are arrest warrants issued by the Prosecutor General's Office. They face charges that are drug-related in one way or another. [end recording]

#### **Officials Cited on U.S. Presence in Amazonas**

*PA3101191393 Santa Fe de Bogota Inravisión Television Cadena 1 in Spanish 2300 GMT 29 Jan 93*

[Text] It is no secret that Colombian airspace is violated continually due to a shortage of technical resources. This situation makes it possible for drug traffickers to fly unrestricted through national territory. For this reason, Colombia and the United States have signed technical

cooperation agreements for the installation of radar stations in strategic locations.

Although the agreements between Colombia and the United States for control of drug trafficking are clear on paper, complete secrecy surrounds such agreements and their roles. One example is the radar station the U.S. Government installed in Amazonas Department. The station is only five minutes flying time from Leticia. Full control is exerted in the vicinity of this station. One reporter from this television station reached the site and confirmed that, in addition to the radar site, there is a fully equipped and modern U.S. military base. This base is not a Colombian military garrison at all, yet it is defended by Colombian soldiers. No one knows how many soldiers are at the base, because they are nowhere to be seen. Since October, the base's operations have been a mystery.

[Begin recording] [Defense Minister Rafael Pardo Rueda] There is no mystery at all. This is a military installation and, consequently, the public has no access to it.

[Unidentified correspondent] What is the main role of the DEA base in Leticia?

[General German Castro Prieto] I do not know. [end recording]

On 3 December, the second commission of the Chamber of Representatives summoned the defense minister to clarify this U.S. presence. Pardo Rueda did not show up but instead sent his answers in writing.

[Begin unidentified congressional official recording] His reply appeared very vague to me and the other members of the commission. I personally have seen men in camouflage uniforms in Leticia. I suppose they are DEA members and involved in the control of drug trafficking. [end recording]

It is evident that these men are more than just radar technicians. The length of the U.S. tour of duty, the nature of their operations in the area, and the existence of controls for the arrival or departure of equipment are unknown. The defense minister will have to answer these questions when he is summoned by the Chamber of Representatives.

#### **Kidnapped Union Leader Guevara Killed**

PA3001154093 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 29 Jan 93

[Excerpt] Jesus Alirio Guevara Angarita, vice president of Sintrainagro [expansion unknown], who was kidnapped in Apartado on 28 January by a group of men claiming to belong to the Simon Bolivar Coordinating Guerrilla Board, was assassinated on 29 January. His body was found in La Florida hacienda, between Curulao Municipality and Uraba. Gerardo Reyes Pinel, a former Sintrainagro Board of Directors member, confirmed the report.

[Begin recording] [Reyes] According to our latest reports, Guevara was found dead at (?Artua) facilities at 0600. This is all we know.

[Unidentified Reporter] Did you see the body?

[Reyes] Yes. I saw it myself after I was called at home. [end recording] [passage omitted]

#### **Car Bomb Explodes in Center of Capital**

PA3101020193 Santa Fe de Bogota Inravisión Television Cadena 1 in Spanish 0030 GMT 31 Jan 93

[Excerpt] At 1830 [2230 GMT], a Renault-2 vehicle exploded. The amount of dynamite used is still unknown because the authorities have had to concentrate their attention on the many people who have been killed and injured. So far, the death toll stands at 14, including 3 children—one of them a one-year-old infant—and there are more than 30 people injured. It is believed, however, that there could be more victims in the buildings of the residential area.

The shock wave damaged a large area between 15th and 18th streets and 9th and 6th avenues in the center of Santa Fe de Bogota. The explosion destroyed a Banco Popular branch, a CAFAM [expansion unknown] warehouse, a photo lab, office supply shops, an optician's shop, an office building, a pizza restaurant, a cafeteria, and several lottery stands in the streets. The greatest numbers of persons killed and injured were at the lottery stands. The Chamber of Commerce building and many more office buildings were also damaged by the explosion. The effects of the attack were very serious because there was much commercial activity in the area at the time of the explosion. [passage omitted]

#### **President Issues Communique on Attack**

PA3101041293 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0315 GMT 31 Jan 93

["Communique" issued by Acting President Fabio Villegas in Santa Fe de Bogota on 30 January—live or recorded]

[Text] The president of the Republic wants to convey his condolences and feelings of solidarity to the relatives of the victims who were injured by the car bomb in downtown Santa Fe de Bogota. Women and children were killed as a result of the cruelty and blindness of the criminal drug trafficking organizations. Dozens of innocent persons are now suffering the results of this terrorist action. This should lead us to close ranks as we have been doing to defeat the narcoterrorists once and for all.

According to intelligence reports, narcoterrorist Pablo Escobar and what is left of his murderous organization are responsible for this criminal action. The government and citizens will not be intimidated. Indiscriminate

attacks can only reaffirm the government's determination to forcefully attack the remnants of Escobar's organization with the support and cooperation of the citizens and the authorities' actions.

To those who have suffered from the criminal actions of narcoterrorists, the president conveys his deepest feelings of solidarity and his reassurance that, working together, we will defeat those who resort to terrorism and dishearten the lives of the Colombian people.

[Signed] President Cesar Gaviria Trujillo

#### Escobar 'Enemies' Claim Medellin Bombings

PA0102140893 Madrid EFE in Spanish 1254 GMT 1 Feb 93

[Text] Santa Fe de Bogota, 1 Feb (EFE)—Radio Cadena National [RCN] reported that on 1 February alleged enemies of Colombian drug trafficker Pablo Escobar claimed credit for the three attacks carried out on 31 January in Medellin, including the attack on the countryside residence of Escobar's mother.

In a communique sent to the RCN offices in Medellin, people who identified themselves as "persecuted by Pablo Escobar (Pepes)" claimed credit for the attacks and announced they "will work to annihilate the mafia boss" and his henchmen.

The attacks were carried out in two zones of Medellin's elegant El Poblado neighborhood and at the countryside residence of Hermilda Gaviria, Escobar's mother, in the neighboring municipality of El Penol, Antioquia Department.

Two of the bombs exploded in areas where people allegedly close to Pablo Escobar reside. Four persons were injured and property damage amounted to more than 600 million pesos (\$900,000).

The alleged terrorist group noted that it will respond to "any action by Escobar" with equivalent attacks and that it views all people who collaborate with the Medellin Cartel boss and his relatives as enemies.

The three attacks took place less than one day after the explosion of a bomb in downtown Santa Fe de Bogota killed 20 people and injured 60, an attack that the government immediately attributed to the drug trafficker.

Escobar, who fled from an Antioquia prison in June 1992 and whose surrender was supposed to be imminent, has announced that he has decided not to surrender to the authorities and threatened to unleash a crime wave if the government does not give his case "political" treatment.

#### Ecuador

#### Colombian President Gaviria Arrives in Quito

PA3001150493 Santa Fe de Bogota Inrvision  
Television Cadena 1 in Spanish 2300 GMT 29 Jan 93

[Report by Ivan Granda from Quito, Ecuador]

[Text] It was 0935 on 29 January. The Satena Airlines plane known as The Ranger arrived at Quito Air Base. President Cesar Gaviria and his wife Ana Milena departed the plane. President Sixto Duran-Ballen, his wife, the vice president, and the entire cabinet welcomed them. The illustrious visitor received full honors as mandated by protocol. The national anthem was played, and there was a 21-gun salute.

The two presidents, with the Ecuadoran defense minister, reviewed the troops. Afterward, President Gaviria, broke protocol and in a gesture of goodwill toward the media, addressed Ecuadorans.

[Begin Gaviria recording] We are convinced relations between Ecuador and Colombia will be intensified in the economic and cultural areas. We are also sure we will continue to advance toward establishing joint tasks among fraternal peoples. [end recording]

Immediately afterward, a motorcade went to the Western Peripheral Highway of Quito and headed toward the National Palace in the downtown area. The Good Neighborhood Commission [Comision de Buena Vecindad] was installed here. Through it, the two heads of state reaffirmed their commitment to strengthen relations between the two peoples. Colombian-Ecuadoran integration is a great reality, the Ecuadoran president said. On his part, Gaviria said for his country, integration is an unavoidable priority within the framework of its foreign policy.

Meanwhile, the wife of the Colombian president, with her children and Mrs. Fina Duran-Ballen, took advantage of her brief stay in Quito to visit churches in the colonial area.

[Begin Ana Milena Gaviria recording] We are very pleased to be back here. We are touring, if you will, with the children. We are showing them the architectural beauty and religious beauty Ecuador has to offer. [end recording]

In the afternoon, the distinguished visitors, with the hierarchy of the national government, boarded a plane to the enchanted islands, site of the signing of important agreements. In the Galapagos Islands, the two presidents will later alternate leisure activities with the review of a joint declaration they will sign.

**Duran-Ballen, Gaviria on U.S. Policies**

PA3001150193 Quito *Voz de los Andes* in Spanish  
2200 GMT 29 Jan 93

[Text] Quito—Ecuadoran President Sixto Duran-Ballen and Colombian President Cesar Gaviria made a public call to the new U.S. Government to seek a greater rapprochement with Latin America. During a joint news conference, Duran-Ballen said the United States cannot turn away from Latin America. We are standing behind their backs and they have to keep Latin American presence in mind. I am sure President Bill Clinton will seek a rapport and will adopt a clear policy regarding Latin America, which he has not done yet but I am sure will be present in his foreign policy, Sixto Duran-Ballen said.

Meanwhile, Cesar Gaviria said he hopes there is continuity in U.S. policy toward Latin America in the sense that there should be greater rapport and a recognition that Latin America is increasingly important to the United States. He said Latin America is a market for U.S. products that is growing at a very fast pace, which stresses the need to create a huge trade bloc in the Americas.

President Bill Clinton's Democratic administration took over a week ago from the Republican administration of George Bush, but no clear policies toward Latin America have yet been announced.

**Paraguay**

**President Rodriguez Urged To Begin Dialogue**

PY2901160893 Asuncion *HOY* in Spanish  
29 Jan 93 p 4

[Text] Six presidential hopefuls have virtually given General Andres Rodriguez a deadline to institute the civilian-military dialogue. They sent another note asking for an audience with the chief of state to address the issue.

It has been said that the first note did not gender a favorable response and was sent to Interior Under Secretary Juan Carlos Galaverna. This action annoyed opposition presidential hopefuls Domingo Laino, Leandro Prieto Yegros, Ricardo Canese, Luis Alfonso Resck, Abraham Zapag, and Joel Atilio Cazal.

They told the president that "they were surprised at the response to their (the presidential hopefuls') desire; especially at his (the president's) remarks to the press that there is no reason for a civilian-military dialogue."

**U.S. Ambassador Said 'Sponsor' of Party Meetings**

PY2901142693 Asuncion *ULTIMA HORA* in Spanish  
28 Jan 93 p 9

[Text] Despite secrecy by the main political coordinators of the Argana Movement of the National Republican

Association [Colorado Party], sources of this faction—including some close to Argana—have reported that several negotiation "fronts" are preparing for possible meetings between members of the [Juan Carlos] Wasmosy Movement and of the government to seek a solution to the Colorado Party problem.

U.S. Ambassador Jon Glassman appears to be one of the main "sponsors" of these meetings. His meeting yesterday with Argana, Ybanez, and Pompeyo Lugo, the chairman of the Colorado Peasant Coordinating Board, seems to have been related to this alternative negotiation. According to Argana Movement sources, the main reason why this foreign diplomat has become involved in this negotiation is because the Colorado Party crisis could become a serious problem to the political transition. This is fairly feasible in view of the leading role played by the ambassador in some recent national events, such as the interview in which he explained, and sought to "clarify," the government's reasons for imprisoning Colonel Gonzalez Rojas, and also President Rodriguez' remarks about respect for the established schedule for the May presidential elections.

**Nuncio Laboa Also Sponsored Negotiations**

Argana Movement sources have reported that Nuncio Sebastian Laboa discreetly organized a meeting between Luis Maria Argana and President Andres Rodriguez in an effort to find a solution to the Colorado Party crisis. Official government spokesmen have confirmed this meeting which was coordinated by Laboa in December, before the Colorado Party primary elections. Nuncio's office has reported that Laboa will return to Paraguay next week from Europe, just a few days before the Colorado Party special convention which was summoned to find a way to reorganize the Colorado Party's Electoral Court.

In this analysis, we must also mention Argana's "thought-provoking" comments made during a triumphal speech delivered last night. He stated that not just the people, "but also foreign ambassadors" have recognized his victory in the primary elections.

Members of the Wasmosy Movement are reticent about the issue. The main leaders, however, sustain that "problems are best solved through negotiations."

**Peru**

**Municipal Elections Begin; Two Attacks Reported**

PA2901155693 Paris *AFP* in Spanish 1220 GMT  
29 Jan 93

[Text] Lima, 29 Jan (AFP)—The elections to choose 1,789 municipal councilmen in Peru began at 0800 (1200 GMT) on 29 January under heavy military and police security measures in the largest cities and regions of the country, due to the threats posed by the second day of an "armed strike" decreed by the Maoist group Shining Path, it was confirmed in Lima streets.

In the predawn hours of 29 January, two attacks with explosives inflicted damage on the Yompian Mall and nearby homes on Colonial Avenue on the westbound route into the capital, as well as a school in the District of Miraflores.

A marked lack of public transportation was observed in Lima in the morning hours, affecting the massive turnout of voters to the polling sites and the opening of the polls, the National Election Board [JNE] confirmed.

Combined police and Army forces have been patrolling the polling sites since the evening of 28 January, while nearby streets have been closed to vehicle traffic to reduce the risks of car bomb attacks, the National Police reported.

Authorities said that 30,000 policemen have been deployed just in Lima and 100,000 others have been deployed nationwide to enforce security measures.

It was reported that a large percentage of electoral officials in the interior of the country have not yet received their credentials.

The JNE confirmed that in the places where no authorities are installed by 1300, the process will be canceled.

#### **Fujimori Interviewed on Elections**

*PA2901154893 Lima Radio Programas del Peru  
Network in Spanish 1444 GMT 29 Jan 93*

[Interview with President Alberto Fujimori by unidentified domestic and foreign reporters at the Maria Molinari School in San Borja District, Lima—live]

[Text] [Fujimori] I have just satisfactorily completed my duty—my electoral duty. I want to highlight three aspects regarding the municipal elections. First of all, after many years, all electoral districts have presented candidates. In previous years, there were approximately 400 electoral districts with no candidates. This has not been the case this year except in five districts. These elections cannot be held in Puno due to unrelated events, but I repeat, all districts have candidates. It is important that we stress this. Second, this foolhardy and routine so-called armed strike in Ayacucho, which takes place every year, has been smashed by the citizens themselves. Trade and transportation are working normally. I believe terrorism has suffered an overwhelming defeat precisely in the same place it started. Third, I want to stress that we have fully complied with the schedule we set out in May 1992 with the Democratic Constituent Congress election process and the municipal elections.

The world can see that here in Peru we live in a true electoral and democratic atmosphere, supervised by OAS delegates and delegates from other countries, who will verify this process is carried out with openness, order, and citizens' participation. I believe this is a good message for the whole country and the world.

[Reporter] Mr. President, for America Television. You gave your support two weeks ago to candidate Ricardo Belmont. Do you really believe this support will help Ricardo Belmont win these elections?

[Fujimori] For obvious reasons I will not make any comments on the president's position or preferences. I do not believe voters will do so publicly, either. Each person has already made up his mind, and we await the results according to the vote count. The people are the sovereign ones here.

[Reporter] How is the situation in the country's interior?

[Fujimori] I repeat, throughout the country citizens are participating. There has been a massive turnout despite small setbacks and difficulties. I think on 29 January the people will give a new demonstration of their desire to defend democracy and this will be yet another defeat for terrorism.

[Reporter] Regardless of the results, does the government guarantee it will support whoever wins?

[Fujimori] First of all, the winner in this election is the Peruvian people, not the candidates. The Peruvian people and municipalities will be the winners of the election.

Naturally, the government and myself, as president of the Republic—as we have been doing since the beginning of our administration—will support all local governments. Regardless of the results, I would like to take this opportunity to congratulate the Peruvian people for their courage, consciousness, and participation in this electoral process.

[Reporter] Mr. President, will you personally greet the winners after 1600?

[Fujimori] Well, I will not only greet all the Peruvian people and winners of this electoral process, but also all candidates who participated in this process in a civic and democratic manner. There will not be winners or losers. Everyone will win in this electoral process.

[Reporter] Mr. President, [words indistinct] other country?

[Fujimori] No. On 29 January I will be unable to do so because of climate factors.

[Reporter] What will you tell the international community after this second electoral process in our country?

[Fujimori] Well, I would tell them that the Peruvian Government and people have fully complied with their commitment to democratize our institutions. I would also like to take this opportunity to highlight an important fact. It has been necessary for the congressional and municipal elections to be held on separate dates. All the people have confirmed that the proposals are large and complex, and have confirmed the broad participation of independent and party candidates. If the elections were

held on one single date, it would have been very complicated for voters. You have seen the long lists of candidates, so many that I was forced to look carefully for the symbol I was going to vote for. Obviously, I am not going to reveal the symbol I voted for.

I repeat, it has been important to hold the elections separately. Despite the obstacles and observations, all mayors and municipal officials remained at their posts until today, and I am confident they will remain at their posts until new mayors are inaugurated.

[Reporter] Mr. President, what will be your appeal to the new mayors elected this afternoon?

[Fujimori] I would ask them to continue working in favor of the people, particularly with honesty, using the resources of local governments, which belong to the people, in a rational manner.

[Reporter] [Words indistinct] particularly in Lima, after you personally endorsed one of the candidates?

[Fujimori] This will surely be decided by the interests that are at stake on 29 January. I am sure that on 31 January, we will be able to analyze what this means for the people. Fundamentally, these events represent the democratization of this electoral process, with the massive participation of independent and traditional political party candidates. Thank you, very much.

#### **Car Bomb Kills One in Lima**

PA2901164393 Paris AFP in Spanish 1614 GMT 29 Jan 93

[Text] Lima, 29 Jan (AFP)—The police have announced that on 29 January one person was killed when a car bomb exploded and three voters, among them a nun, were injured when a terrorist command launched three grenades at a university where dozens of people had formed a line to vote in the Peruvian municipal elections.

The car bomb, loaded with dynamite and ANFO [ammonium nitrate fuel oil] was detonated on a main street in the Lima district of La Victoria.

A driver was killed and several people were injured according to a preliminary bulletin.

A mortar was used to fire the grenades at the polling station at the San Martin de Porres University in the Santa Anita District east of Lima.

#### **'Unofficial Projections' Name Belmont**

PA3001020793 Lima Global de Television Network in Spanish 0000 GMT 30 Jan 93

[Text] Ricardo Belmont has been reelected as mayor of Lima, surpassing all the predictions with 47.7 percent of the votes, according to unofficial projections upon conclusion of the municipal elections. Belmont leads his

closest opponent, Luis Caceres Velasquez who received only 31.5 percent of the votes, by a wide margin.

Upon conclusion of the elections, Ricardo Belmont Casinelli is virtually the winner of the municipal elections in Lima with 47.7 percent of the votes according to Apoyo, a polling firm. Also according to CPI [expansion unknown], he received 47.7 percent of the votes.

According to Apoyo, Luis Caceres Velasquez came in second with 31.5 percent of the votes; and CPI agrees he received 31.5 percent of the votes.

Apoyo says Javier Diez Canseco came in third with 7 percent; and CPI says he received 6.8 percent of the votes.

Michel Azcueta came in fourth place. According to Apoyo he received 4.2 percent of the votes, and CPI says he received 3.4 percent of the votes.

Luis Alvarado Contreras came in fifth. Apoyo reveals he received 2.3 percent of the votes, and CPI says he received 2.4 percent of the votes.

Sixth place goes to Carlos Neuhaus. Apoyo says he received 1.2 percent of the votes, and CPI says he received 1.2 percent of the votes.

Aida Garcia Naranjo came in seventh place. Apoyo reports she received 1.2 percent of the votes, and CPI says she received 1.2 percent of the votes.

According to CPI, other candidates received 5.8 percent.

#### **Fujimori Booed, Stoned in Lima Suburb**

PA3001173393 Panama City LA PRENSA in Spanish 30 Jan 93 p 4-A

[Excerpt] Lima (International dispatches)—Reporters have reported that on 29 January Peruvian President Alberto Fujimori was slightly injured in the face by a rock thrown by opponents in a Lima suburb, where the president was visiting polling stations.

According to reporters who were accompanying President Fujimori on a visit to the extremely poor neighborhood of Villa El Salvador, the rock caused a slight wound on the president's upper lip, but it was rapidly attended to by his doctors.

Fujimori was also booed as he went about his visit. Following the incident, the president held a news conference to discuss the 29 January municipal elections, but did not refer to the attack on his person. [passage omitted]

#### **Fujimori Admits Change 90 Unprepared**

PA3001033093 Lima Global de Television Network in Spanish 0000 GMT 30 Jan 93

[Text] President Alberto Fujimori has congratulated reelected Lima Mayor Ricardo Belmont and offered all

his support. In a news conference held at the Government Palace just a few minutes ago, the president said in reference to the future of Change 90, that it was not prepared for these elections but that members will be immediately organized for the 1995 elections.

[Begin recording] [Fujimori] The results are the expression of the will of the people who have gone to the polls on 29 January. The people have expectations about the next three years of this municipal term. The expectations deal basically with the fulfillment of local needs. In many locations, the predictions have been confirmed while in others, new faces have come out. I think that in each of them, the voters have sought the person who represents the voters in the search for solutions to local problems. That is the case, south of Lima [in Tacna], of Mr. Tito Chocano who is well-known, or here in Lima of Ricardo Belmont, or in Trujillo of Mr. Murgia of APRA [American Popular Revolutionary Alliance]. Therefore, these are elections which I interpret as support for the individual.

[Unidentified reporter] [Words indistinct] an independent?

[Fujimori] Well, I am completely satisfied. I am somewhat impartial. I am impartial despite some obvious preferences which I have expressed at some time. I am impartial, however, with regard to the results. In reality, my position in this election, and I have tried to motivate the voters in this sense, was that this was also a direct struggle against terrorism. I have interpreted it this way, and I have emphasized this aspect without downplaying the importance of the municipal elections. I say this because through threats, Shining Path had sought to obstruct these elections. It was unable to do so. This is another of the important victories of this day. In addition to the Peruvian people's democratic participation in an election process, this is a victory for their clear and firm position against terrorism.

[Reporter] [Words indistinct] position of Change 90?

[Fujimori] In six cities where it participated, it was not successful. In Tacna, the only place it was successful, it was because Tito Chocano is so well-known he was elected mayor due to his own merits. In these elections we have not really obtained successful results.

[Reporter] [Question indistinct]?

[Fujimori] Our position continues unchanged because our organizations, Change 90 and New Majority, are groups that attract the best people. If in other groups, representatives emerge who have the capability to lead the cities, I will support them.

[Reporter] [Question indistinct]?

[Fujimori] In all these places I have found support, with the exception of one school where a group openly expressed its opposition. But in general, there is support for the government policy. What the country wants

unquestionably is methodical work with results, something I think will be achieved. I repeat, Change 90 has not participated as actively as some rank-and-file leaders had expected. I think this is because we are not yet prepared to participate in these electoral struggles because to win them we need representative candidates from the location. In that sense, we still need a program to train leaders. [end recording]

#### **'Subversives' Damage Store in Lima**

PA3001043393 Lima Global de Television Network in Spanish 0000 GMT 30 Jan 93

[Text] In their vain attempt to boycott the elections, subversives attacked the (Young Piang) store on Colonial Avenue. A security guard was injured in the attack, which caused considerable damage. The interior of the (Young Piang) store, located on the corner of Colonial Avenue and Patasmayo Boulevard, was destroyed by the terrorist attack at 0530 [0930 GMT]. We can see the extensive damage to the structure and the electrical appliances sold at this store, which is one of the major branches of the corporation. When the attack occurred, there was only one security guard inside the store. He said two people approached the door, left a package, and fled in a waiting vehicle down Patasmayo Boulevard. When he realized that there was a bomb he tried to take cover, but he suffered some cuts and bruises.

This store is only one block away from the Villarreal University building, where an Army patrol was guarding the premises, since it was a voting station.

#### **Terrorists Kill Three Policemen**

PA3001150093 Lima Global de Television Network in Spanish 0000 GMT 30 Jan 93

[Text] Alleged Shining Path members killed three members of the National Police as they were guarding voting stations in various parts of the city. The National Police are now carrying out a search operation at the intersection of Universitaria Avenue and Pan-American Highway in Los Olivos. They are searching hundreds of citizens in vehicles after subversives attacked and killed a policeman.

The policeman was Julio Miguel Galvez Chavez, 38, who was shot in the temple after being attacked with an explosive device. He was taken to Cayetano Heredia Hospital, but he was dead on arrival. In this case, the police search operation did not have the results they had hoped for.

As the people continue to comment on the unofficial results of the municipal election, the subversive groups continue their attacks. On 29 January, officials reported the strange death of two cadets at the National Police noncommissioned officers school. One was identified as Luis Miguel Mantilla Mora and the other as William Mazcueta Mendoza. The confusion among the community grew with the arrival of a large number of policemen

and firefighters, who converged on the grounds of a cooperative company in Santa Anita.

Despite the tight police security, it was learned that the two cadets were killed by subversives in Villa El Salvador as they were guarding a vehicle on the second day of Shining Path's boycott against the election. The policemen were killed in the vehicle. They were taken to Santa Anita and then evacuated by their fellow policemen. The attack occurred at 1600, but at 1900 there was still an unusual movement of police forces, who tried to keep the press away from the area.

#### Official Results Announced in 10-12 Days

PA3001224793 Lima Radio Programas del Peru  
Network in Spanish 2200 GMT 30 Jan 93

[Text] Official results of the municipal elections held in Lima on 29 January will be known in 10 to 12 days. Provincial Election Board President (Hemerlee Carrasco) said that board members began opening the envelopes on 30 January and are reading the documents received from the 18,000 voting centers.

#### Fujimori States 'No Intention' for Reelection

PA3101183393 Hamburg DPA in Spanish 1559 GMT  
31 Jan 93

[Text] Lima, 31 Jan (DPA)—Peruvian President Alberto Fujimori reaffirmed on 31 January that the country will be completely pacified by 1995, when his presidential term concludes. He also said that he has no intention to run for reelection.

Fujimori stated in an interview conducted during a political program that he will govern Peru until 28 July 1995 and that he has no intention whatsoever to run for reelection. He added that by that date, the terrorism that has caused so much harm to Peru will be over.

Fujimori noted: "We are going to leave Peru completely pacified and on its way to development and prosperity." Regarding the 29 January municipal elections, Fujimori said that the results do not represent a defeat of the traditional political parties, but a rebuke by the citizens because of the attitude of the leaders of those parties.

Fujimori said that he reached this conclusion after voting and visiting polling places and after listening to analyses and self-criticism by political leaders from the traditional groups and television station commentaries.

Regarding his decision to support the reelected mayor of Lima, Ricardo Belmont, following the withdrawal of Pablo Gutierrez, the candidate he had appointed and backed on behalf of the Change 90/New Majority Movement coalition, Fujimori said that it is more suitable to have "a neighbor," who has objectives similar to those of the executive branch, than a mayor who would be radically and politically opposed to the government, in the person of Luis Caceres Velasquez.

The reference to "a neighbor" derives from the fact that the Municipal Palace is across from the Government Palace, in Lima's Plaza de Armas Square.

#### Interview With Minister De La Puente

PA3101180193 Lima Radio Programas del Peru  
Network in Spanish 1300 GMT 30 Jan 93

[Interview with Oscar de la Puente, president of the Council of Ministers and foreign minister, by Dennis Vargas, Francisco Prealli, and Arturo Salazar, at the Radio Programas del Peru studio in Lima on the "Saturday's Focus" program—live]

[Excerpts] [passage omitted] [Vargas] Our guest is Dr. Oscar de la Puente Raygada, president of the Council of Ministers and foreign minister. Before starting our interview, we would like to thank Minister De la Puente for taking the time to appear on our program and addressing the Peruvian people. Mr. Minister, good morning, welcome to our program.

[De la Puente] Good morning, Dennis. How are you?

[Vargas] Fine, thank you. How have you been? Before beginning the discussion of national issues, we would like to hear your comments on the elections. What is your opinion on the municipal elections that took place on 29 January and concluded with the results we all expected?

[De la Puente] In addition to what you have just mentioned, the most redeemable aspect that occurred, which shows the courage and democratic vocation of the Peruvian people, is that the course related to the Bahamas commitment has been honored. President Fujimori went to Nassau and committed himself to establish full institutional democracy in a specific period of time. The first stage was accomplished on 22 November when an election process took place, with the presence of more than 200 OAS observers. There was a massive voter turnout, and the Peruvian people elected 80 representatives to the Democratic Constituent Congress [CCD]. However, at the time we could not yet say that the commitment had been fully accomplished. We also needed to comply with another commitment. This other pledge has been a source of constant criticism of President Fujimori's administration as a result of the decision to dissociate the CCD election process from the municipal elections. In order for this issue not to remain pending and leave the impression that the CCD issue had been manipulated, on 14 December during the foreign ministers meeting in Washington, I formally requested in the name of Peru, the presence of OAS observers to oversee the municipal election process. This would serve to endorse before the international community that the Bahamas commitment had been fully honored. The CCD installment on 30 December at 1200 prompted an official communique by the Peruvian Government to the OAS secretary general stating that the CCD had been installed, and the Bahamas commitment was honored. The next paragraph of the communique reiterates Peru's

formal request for observers to monitor the municipal elections. This was finally accomplished on 29 January. It was a civic festivity of enormous significance.

[Vargas] Correct. In order to continue with the subject which you have just explained, I now ask you, what is next? We have honored the Bahamas pledge. Is there going to be an OAS seal indicating its approval, or green light? What must follow after this, Mr. Minister? What must we Peruvians expect as a consequence of everything that has taken place up to date?

[De la Puente] Well, the seal of approval has already been extended. This took place on 14 December during the OAS foreign ministers meeting, at the same time the ad-hoc foreign ministers meeting was about to conclude. The ad-hoc foreign ministers meeting met urgently as result of the 5 April events, and a special commission headed by former Uruguayan Foreign Minister Hector Gros Espiell was scheduled to participate in the meeting. The special commission had to inform the permanent council on the results of the democratic process in Peru. On 14 December Joao Baena Soares, OAS secretary general, fully disclosed that Peru had honored this commitment and that democracy had been restored with the CCD elections. Several foreign ministers were not opposed to this situation, but instead decided to set a sort of condition until 30 December. This was the date set to install the CCD. The foreign ministers meeting concluded with the agreement that there was no need for any further meeting, but merely a condition to be fulfilled the day the CCD was installed. That is why when the CCD was formally installed, Peru confirmed the event as soon as it took place. The OAS secretary general then sent a note to our Foreign Ministry reporting that the copy of his message and the foreign ministers declaration on the ad-hoc conference verified the process had concluded.

Regarding expectations, I believe that as of now it is Peru that must await the realization of the development of its own destiny. Our explanations in the Bahamas, in Washington, and all the meetings that have taken place with all the foreign ministers, including the unusual presence of our president at a foreign ministers meeting, have resulted in the international community represented by the OAS being advised that democratic institutionality in Peru has been restored. As of now, the Peruvians must decide on our own future.

[Vargas] Mr. Minister, after 5 April, Peru's position was being questioned; it was being watched. That situation is over. Peru has regained legitimacy in the eyes of international organizations and in the eyes of the world. Do you want to explain this?

[De la Puente] Many of the multilateral organizations and foreign governments that were concerned about the suspension of democratic life in the country tasked the OAS with supervising the process for the return to institutionality. Countries such as Japan, Germany, and the United States, had conditioned the reinitiation of

their support and cooperation to an OAS report on the restoration of institutionality in Peru.

[Vargas] Especially the multilateral entities.

[De la Puente] The multilaterals. When the first signs of this institutional process in Peru—such as calling the CCD—appeared, some multilateral organizations, such as the Inter-American Development Bank began to reactivate credit requests and to release credits and loans that had been approved, but had been suspended because of the 5 April events. After the president appeared in the Bahamas and called the 22 November process, these multilateral organizations began to unfreeze some operations.

Now that Congress has been installed and is functioning and the municipal election process has concluded—a process that had been questioned by the country's most important political groups—there is no longer any obstacle. Peru lives in a fully democratic atmosphere. As of now, I repeat, Peru will have to decide on all the matters that have to do with its development.

[Prealli] Good morning, Mr. Minister.

[De la Puente] Good morning, doctor.

[Prealli] [passage omitted] Now that the administration's term in office is half over, considering that 1995 is getting closer, what type of organization has the government in mind to ensure continuity? All governments want continuity. What is the government thinking about this? What kind of organization will you have? Or is it that the plans include the possibility of working hard, in connection with the CCD, to have the president reelected?

[De la Puente] I would say that we are out of the absolute fog we had on 28 July 1990, with a devastated country, thanks to what I could describe as management with objectives. [passage omitted]

Just as enterprises have the objective of improving production and quality levels to secure the best dividends possible and to place their products on the market, in this case, the government's main objective is, I would say, the pacification process. The pacification process represents for the president and the government, the most important of the objectives. The other objectives depend on this one. We cannot think about securing foreign investments in the framework of Peru's privatization and industrial and business development processes if we do not have a peaceful framework as an essential guarantee.

There cannot be a moral restructuring of the country's institutions if we live in permanent turmoil because of terrorist insanity and violence. We cannot imagine a healthy justice system if we do not have, as a result of a strict implementation of the law, the mechanisms to process people who should be processed and to impart justice quickly, not sluggishly.

This is why the main objective, an objective we are pursuing, is to have the country pacified by 28 July 1995. The president has said this repeatedly. This requires, really, a transformation of all the institutions. Since this transformation requires mechanisms that may lead to the objectives, nothing can be achieved unless there is an efficient, instead of bureaucratic, state apparatus respectful of abilities and merits and not of nepotistic recommendations or suggestions.

[Prealli] [passage omitted] Do you think this structure you want to be more efficient will depend on the upper class too much, that it could be too lofty and too pragmatic? It was lofty leaders who broke their ties with the rank and file, which destroyed the political parties. Do you think this is dangerous?

[De la Puente] If we were looking for short-term solutions, I would say I agree with you and fully understand your concern, considering that leaders often do not plan on supplying information to management levels that must adopt decisions to promote their own development. In this case, however, you must not forget that we were in a predicament in 1990.

There were only two solutions for the country at the time. In addition, there were two mutually antagonistic situations. Either the country succumbed and disappeared as an organization or we rescued the organization and turned it into a civilized society. In this particular instance, a short-term solution just because we are in the government is out of the question. Instead, this government, or subsequent governments, should have a basic groundwork devised by the effort of a number of persons who have strived to prevent the country's demise and give it hope for development on a medium- and long-term basis.

Consequently, we cannot think of a corporate decision while in the midst of an irreversible inflation process. We cannot think of solutions involving the opinion of everyone when the administration of justice is a disaster. Not a single magistrate can be regarded as part of a stable institution. We are subjected to pressure constantly. All magistrates are terrorized and threatened. There is white terrorism and corruption, so often mentioned. So we cannot speak of administration of justice. There is no efficiency in the government's actions when there is an incredible number of bureaucrats who only punch a time card and do their job without even the certainty that they will collect their paychecks at the end of the month.

A kind of deep and drastic surgery has been necessary to orient the country toward full rationalization of the public administration, which will enable the government to use the few available resources in a framework of absolute honesty and austerity. In this way, even with little money, we can survive and develop as an organized society according to a government marked by a sound administration. The objective of such a government is not to support the interests of a group of people or

political organizations, but Peru as a country. Consequently, such a formula was essential. This occurs in addition to the crisis of the institutions, which you mentioned. We cannot ignore the fact that the deterioration of the institutions, caused by the impossibility of governing a collapsing country, has led the people—who established the social contract called the Constitution—to refuse to be represented by these institutions. Hence the crisis in the parties.

Within the structure of an organized, systematic, managerial, technical, and honest government that works many more hours every day than human beings should be required to work, I would say we are witnessing the emergence, like a quake, of a new generation of politicians who do not yet have bases throughout the country, but who are trying to promote government initiatives. Peru requires initiatives at present. Crises make it impossible for the institutions to be reorganized on a short-term basis. Perhaps in a few years we will have institutions that will be better organized than the current ones, but we cannot ignore that a new generation of politicians is emerging and this is giving the country a new political profile.

We cannot imagine how independent candidates who have gone out to the political arena only a short time ago can have the people's support in an election.

[Prealli] For instance, the independent candidates swept all of the positions during the municipal elections.

[De la Puente] We do not mean there are not representative people with political quality in the other organizations. The people have realized that Peru requires a transformation beginning at the democratic bases of the institutions and political organizations. With clear objectives, it is possible to orient the new political generation to develop such a philosophy that, when this government is no more, the policy and philosophy applied by this government, which tries to reach fundamental objectives, can be maintained and consolidated with the new organizations that will result from this emergence. [passage omitted]

[Vargas] Point 4 of Article 2 of the Constitution of 1979 notes: Crimes committed through books, the media, and any other social communication, are established in the Penal Code and are tried by common courts. It adds: This excludes abetment of terrorism, which is tried by courts established by the law. What is this court the law mentions? A military court. With basis on this article, journalists could end up before a military court, depending on who decides what abetment of terrorism is. This represents an imminent danger. Some say this decision could be made by Mr. Montenosinos, from the intelligence service. Who makes the decisions on this? Who decides what abetment of terrorism is? This paragraph is dangerous for reporters. Here is something else: No one can suspend or close the media or prevent it from

circulating, unless that media dedicates itself to abetment of terrorism. This means that the media could be closed abruptly depending on who decides what abetment of terrorism is.

These are the two paragraphs we are concerned with, Mr. Minister. You are an attorney. We are concerned with the way this matter is being handled by the Congressional Constitutional Commission. We hope that at the plenary meeting, these two paragraphs of Point 4 of Article 2 will be discussed objectively, as the country's fundamental liberties could be hurt.

[De la Puente] Some important media have issued commentaries, including editorials, stating concern over the issue you have mentioned. This is a very delicate matter because it depends on the judgment and opinion of individuals. Therefore, this mechanism could prove to be imperfect at a given moment. We have also heard that members of the Constitutional Commission do not agree on how this should be implemented. I am also certain that at a plenary session of Congress the debate on this will be broader than the exchange of opinions that have taken place in the Constitutional Commission.

This issue cannot be restricted to the limits of a simple statement dealing with norms that are not clearly established. Here the law abandons the weight of constitutional norms to a regulation that can be subjectively applied and be very dangerous.

[Vargas] I wanted to make this point that you have so clearly stated. This demonstrates your legal mastery, as well as your knowledge of the issue. The four of us are attorneys and can discuss this issue very clearly. Do you think these two paragraphs are unnecessary in the Constitution? The Constitution is the framework of the law, the legal structure of a country. This could easily be included in the special law on terrorism and included in the Constitution.

[De la Puente] It could be included as part of special laws. Evidently, this inclusion could cause legal problems, or problems in establishing what norms prevail over others. Perhaps this has been the opinion of the members of the Constitutional Commission and this is why they want to give constitutional hierarchy to the norm. The members may not be thinking about the possibility of misusing the mechanism for deciding if a given action is abetment of terrorism.

One thing we cannot foresee is how people will behave. We are absolutely certain of what we would do, but the situation may change tomorrow and this could be very dangerous. The transitory nature of institutions always leads to the deterioration of the institutions that do not enjoy eternity when confronted with causal or circumstantial temporariness.

This is why I believe this article will be improved during the debates at the Congressional plenary meeting. I would not deprive the norm of any hierarchy because it

could be said later that this norm does not have constitutional hierarchy. If I want to implement it, I would have to confront the norm with a constitutional hierarchy, that is, with the constitutionality of norms to be passed on this issue. This is why I believe the debate is not over. Criticism is important because criticism should produce an article clearer than the one edited by the Constitutional Commission.

[Prealli] Mr. Minister, I think you, fortunately, clarified the problem very well. I wish to point out something else, perhaps from a technical standpoint, on the drafting of the Constitution. For example, mismanagement is involved here. There is cause for concern because some sort of influence is perceived. Do you follow me?

The first two paragraphs demonstrate this sufficiently. The second paragraph states crimes are specified in the criminal code. In other words, abetment of terrorism is a crime. It is specified in the law.

[Vargas] It is not in the most recent criminal code, but it is in the law.

[Prealli] A specific crime, which happens to be just another crime, needs not be mentioned expressly in the Constitution.

This is serious and prompts me to think this problem will not be eliminated by simply eliminating the other two paragraphs. The Constitution should have a permanent nature. If the president said there will be no more subversion and terrorism by 1995, why do we need a specific norm on abetment of terrorism, as well as a media law? It is unnecessary. This is a serious concept. The issue of abetment of terrorism is very polemic. There was the case of reporter Jose Ramirez, who I think was fortunately freed not long ago. He was reportedly arrested under charges of abetting terrorism for photocopying a book. This is very serious. This shows the nature of people called to issue opinions.

The serious thing about this constitutional concept or with the authors of this constitutional proposal, is that they think this thorny crime of abetment of terrorism—and I do think this crime should be punished—should be entrusted to the courts the law specifies. Of course, this refers to the military courts that are not competent in this case. This does not refer to the common courts.

In other words, a case as delicate as this one, which requires deciding when a situation borders on crime, has been taken away from qualified individuals, such as judges and lawyers, and placed under the jurisdiction of military courts, which deal with technical justice applied to military matters. I think this is a very serious concept. The military courts are not competent to handle delicate issues such as this one because it was conceived to handle other matters. I think this is very serious. It is serious to give constitutional rank to the crime of abetment of terrorism because the situation does not warrant it.

[De la Puente] I agree with your criteria, but let us not forget our reality. We cannot describe the doctrinaire aspect as basic, fundamental, and exclusive. As for the administration of justice on terrorism, we were very worried when we assumed the government because instead of administering justice against terrorist crimes, there was absolute impunity; the rank and file of white terrorism were influencing magistrates. This led to the release in the past year of over 200 terrorists who returned to the streets to commit new crimes.

No law is good if it cannot be enforced. No code or constitution is good if they cannot be fully implemented in a reality such as ours where the lyrical, doctrinaire, and dreamy nature of a beautiful written piece clashes with a dramatic reality when the body called to administer justice fails to do so. The events of 5 April are important because it brought about the establishment of special councils to administer justice. Special military courts assumed the responsibility of administering punishment and managed to put 95 percent of the Shining Path leadership in prison.

Let us not forget there is perfect implementation of a norm to the extent to which it can be applied. This was perhaps the concern of the drafters of the article pertaining to freedom of speech. This is why we must establish a fair equilibrium between drafting and implementing and between possibilities and reality. We must be absolutely pragmatic because we are living in a very different country, in a different reality that is not specified in the French and Spanish code. It is a code applied in Peru [words indistinct].

[Salazar] I think it is not simply doctrinaire to raise objections on the competence of military justice to handle common crimes. I think military justice in Peru has not demonstrated professional ability to punish human rights violators or handle, with equanimity and independence, cases of this sort. I do not think military justice should handle common crimes, not even political crimes.

[Salazar] During the 1970's I arrived at the Rio de Janeiro Airport and Marx's DAS KAPITAL, which I was studying, was in my luggage. I was not allowed to enter the country because of this. I encountered serious problems because of this single incident. This shows there are, generally speaking, very arbitrary interpretations.

[Vargas] Dr. De la Puente, as a prominent member of the government and president of the Council of Ministers, are you coordinating efforts with New Majority members at the Congress headed by Carlos Torres y Torres Lara to discuss these issues? Perhaps discussions could improve the situation. Many congressmen and illustrious jurists have remained silent on this issue, and we are honestly worried about this.

[De la Puente] My reply, Dennis, is that the monkey need not only wear silk to look like one. [laughter] We are talking about a genuine separation and equilibrium

of branches in which the Executive Branch cannot make the Legislative Branch legislate on specific issues....

[Vargas, interrupting] I am not talking about that but....

[De la Puente, interrupting] Listen to me, allow me to finish. There should be no interference in the handling or administration of the branches or in the full exercise of branch autonomy. There must be cooperation between the two branches, because that is what democracy is all about. [passage omitted]

### **Alan Garcia Visits Venezuela; Reportedly Seeks Asylum**

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[Text] On 28 January Former President Alan Garcia left Santa Fe de Bogota, where he has enjoyed asylum for the past nine months, and made an unexpected visit to Venezuela. Although details of Alan Garcia's visit to Caracas are unknown, it is believed he met with Venezuelan President Carlos Andres Perez. The Venezuelan media linked Garcia's visit to his intention to request asylum, because Venezuela suspended relations with Peru as a result of the 5 April institutional changes.

Garcia is accompanied by Luis Gonzalez Posada, former foreign minister and former justice minister, who resides in the Venezuelan capital. Meanwhile in Colombia, Foreign Minister Noemi Sanin, Justice Minister Andres Gonzalez, Prosecutor General Gustavo de Greiff, and Attorney General Gustavo Arrieta met to discuss the status of the former Peruvian president, for whom the Peruvian Government filed an extradition request.

This is the first of a number of meetings before the Colombian reply to the Peruvian request is revealed.

## **Venezuela**

### **President Perez Gives News Conference**

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[News Conference by President Carlos Andres Perez at the Miraflores Palace in Caracas with unidentified moderator and local and foreign reporters—live]

[Text] [Moderator] Welcome journalists to President Carlos Andres Perez's first news conference for 1993. We will start the questions with Jesus Lozada Rondon of EL UNIVERSAL newspaper.

[Lozada] Mr. President, what are the basic points of the meeting the G-3 [Group of Three] will hold in Caracas between 11-12 February.

[Perez] The G-3's goal is to exchange new points of view on free trade between Colombia, Mexico, and Venezuela and to complete some of the stages of this initial process. We have, however, summoned this meeting basically to

share with the Central American presidents the implicit purpose within the G-3's Constitution to include the Central American countries in the integration process. Therefore, one day of the meeting will be dedicated to discussing the specific points of agreement between the three countries and another day will be dedicated to our relations with Central America. Today, the president of the Venezuelan Foreign Trade Institute travels to Central America to work out the final details of the old agreement that we are discussing regarding a free trade structure between Venezuela and Central America and between Colombia and Central America, thus increasing the effects of the Andean Pact.

[Moderator] Oscar Madrid from ANSA News Agency and VISION magazine.

[Madrid] Mr. President, events show that you are beginning your last year in office practically as a hostage to the decisions made by the National Congress. Parliament has little interest in approving new tax laws. What is your alternate plan for the upcoming crisis of higher inflation, greater fiscal deficit, perhaps greater debt, a drastic reduction in public spending, or the (?merging) of enterprises such as PDVSA [Venezuelan Petroleum] with multinational oil companies?

[Perez] This, perhaps, is the most important question that could be asked, because it is a huge problem for Venezuela. I must say I am confident Congress will face up to its responsibilities. No doubt, as everyone in Venezuela knows, it is essential that the new tax laws, which the Venezuelan economic plan has called for since 1990, are approved. If these laws are not approved, the consequences for the country will be very serious. I do not want to hide anything. First of all, the increase in debt would be unavoidable. Everyone knows that about 200 billion bolivares in treasury notes, which were included in the 1993 budget in order to balance it, are a substitute for what would be the income from the new 1993 taxes. This would be a debt over and above the current and any future debts. Secondly, this would send a very negative signal to the rest of the world—the international economic system—and would create serious problems with the IMF and with multilateral credit organizations such as the Inter-American Development Bank and the World Bank. It is so because our relations with these banks are based, as established by the letter of intentions signed with the IMF, on Venezuela's capability to implement a series of reforms. For more than two years, we have been asking for exemptions for [one-minute break in transmission] for fresh disbursements for Venezuela from the multinational banks. So this is the situation we would be confronting under such circumstances.

This is why I am absolutely sure Congress will respond positively to these requests, because the country needs this. I am also certain all the economic sectors will cooperate with the government in pointing out the need for approving these bills. These bills have been discussed

at length on various occasions with other political organizations. Besides, we cannot imagine a new government—the one that will replace me in 1994—without my administration first having fulfilled these essential requirements to definitely put the Venezuelan economy in order.

The country has had economic achievements in the past three years. No one can deny that during 1990, 1991, and 1992, we had important economic growth in Venezuela, the most important in Latin America. Our GNP increased in 1990 by 5 percent. This increase was 9 percent in 1991 and 7.5 percent in 1992. This proves that the government's economic plan has been effective. This growth for three consecutive years cannot be explained any other way.

On the other hand, we have interest rate problems. There is no doubt that one main cause of high interests rates and of inflation is the fiscal deficit. If we are unable to correct this situation this year, if we cannot efficiently control the fiscal deficit, the problem will continue to loom over the Venezuelan economy, especially over the agriculture sector. This is why it is necessary to give a positive response to this proposition.

Finally, we must recall that a successful continuation of the foreign investments process, which has been satisfactory in the past few years, is related to maintaining the trust that the international economic system has placed on Venezuela because it has reached its goals, made reforms, and modernized its economy. If we do not approve the tax laws I have recommended this year it would be interpreted as the signal I mentioned before. It would create distrust and withdrawal of foreign and national investments in Venezuela. I believe I must discuss this issue with clarity or I would not be fulfilling my duties.

[Moderator] Paola Badaraco of EL GLOBO.

[Badaraco] Good day, Mr. President. A report published today states that 1 billion bolivares will be spent on this year's electoral campaign. Is this not incongruent with the austerity campaign your government is promoting? Another brief question is, are you still planning to leave Miraflores on the people's shoulders?

[Perez] [laughs] I cannot possibly know how much will be spent on the electoral campaign. That is why the electoral law will be reformed by this congress. I hope the political parties law reform will establish coordination and control over the political parties' finances, thus preventing electoral spending from getting out of hand to the extent that it hinders the country's interests. It is not in the government's hands, but I do believe an effort should be made. This is why this year's congressional sessions are so important. Congress must approve the basic electoral law that will allow us to have direct voting, for which I have waged a campaign from the beginning of the electoral process that brought me to the presidency of the Republic. I have never ceased to repeat

this in all of my statements and news conferences. Congress must establish the mechanization of the electoral process.

It is necessary to reform the political parties law so that financial regulations can be established. I have already established the tax laws, but still pending are the privatization law and the banking law that will allow international banks to enter Venezuela, which is another important feature of the economic reforms conducted by my government during these years.

[Moderator] There was a second question, Mr. President.

[Perez] I aspire to leave on the people's shoulders, and at any rate I am sure history will recognize my government, modesty aside, as the government that organized and initiated Venezuela's modernization, achieved the country's decentralization, created revolutionary circumstances—the consequences of which we are not yet feeling, such as the direct election of governors and mayors—and dealt with the difficult problem of eliminating an economic system that created all the difficulties the Venezuelan people must suffer today.

[Moderator] Alfonso Navarro of the MEXICAN NEWS AGENCY.

[Navarro] Good day, Mr. President. I would like once again to address the issue of the Congress' extraordinary sessions, because it would seem as if the leading opposition groups have decided to block the economic reform due to current circumstances such as the political debate. This leads me to ask you what has changed in Venezuela since the first coup attempt last year, considering that at that time promises were made to establish a constituent assembly and to profoundly reform the judicial branch, among other urgent needs in the Venezuelan system, which to date have been postponed due to various circumstances.

[Perez] Unfortunately, the truth is that the hindrances this phase of our country's development has suffered have prevented a more systematic fulfillment of all the goals established by the executive branch as well as the legislative branch. That is unquestionable. In spite of this, however, I would tell you that everything is changing in Venezuela, especially Venezuela's awareness. The disorders that worry and alarm so many people are precisely the consequence of these changes.

Furthermore, this reality is not solely Venezuelan. If we observe the world, we will see that more or less similar events and circumstances are taking place everywhere. This is the situation in Latin America, for example, where the same reforms that are being made in Venezuela are being made in all the countries. Some countries have been more successful than others, but they are all headed in the same direction.

Unfortunately, current worldwide problems make it possible for me to say that we should not hasten to build the

new international order which was so widely discussed by great statesmen following the dismantling of the Soviet empire. This effort has not had an organized beginning and what we are seeing is growing international disorder. This is a worrisome situation that should concern us but one from which Venezuela cannot free itself.

The reforms that have not been implemented yet will have to be implemented. The constitutional process....[pauses] the constitutional reforms process was interrupted. Perhaps we tried to carry out too broad a reform, and as a result of this, Congress found itself confronted with more than 100 constitutional articles. Congressmen probably decided it would be very difficult for the people to vote on this in a referendum. It was resolved to postpone the vote. However, there is a commitment to carry out these reforms during the following constitutional period. What happened as a result of the constitutional reform referendum in Panama perhaps made our congressmen think twice about this. This does not mean anything has been lost. We must regret and repudiate last year's two coup attempts. However, they served to test and reaffirm the democratic will of the Venezuelan people.

The change we have experienced in Venezuela is that now we are more certain we will always live in a democracy. I believe the ills and insanity encouraged by the military coup attempts produced a Venezuela that is thinking more about its great future.

[Moderator] Marylou Palacios, from Emisora Informativa Noventa y Cinco.

[Palacios] Good morning, Mr. President. I am going to take advantage of your statement about everything changing in Venezuela to say that one thing we have not been able to change is the problem of the potholes in Caracas' streets and avenues. No one feels responsible for this. The institutions have not gotten together on this, and there are all sorts of potholes that have been there for two to five years. Since you promised that the organizations would work together on this, I am mentioning this to you. My other question concerns a news report that regular gasoline prices will decrease while the price of the 95 percent octane will increase. This has caught our attention because prices usually increase. Please clarify this for us.

[Perez] I am sorry I have no information on the holes. You have to speak to the mayor and the governor. Potholes are a matter they handle. I think these urban problems are being taken care of more or less, but a better approach is needed. You mentioned something that I have spoken about often, coordination among all agencies, many of which easily open holes. Very few agencies care to plug holes. Work must be coordinated, as I have said on numerous occasions.

[Palacios] What about the decrease in the gasoline prices?

[Perez] I have always said this problem is very serious because the price of gasoline is extremely low in Venezuela. I know people do not like this subject to be discussed because, unfortunately, we have gotten used to that. But this stance brings a lot of trouble. The amount of gasoline consumed in Venezuela is that of a country with two or three times our population. Gasoline contraband by land and sea is one of the most profitable businesses in the country. This can be corrected only through reasonable prices. In addition, the economy requires a gasoline tax to be levied, and the Venezuelan Petroleum Enterprise [Pedevesa] has to sell gasoline at higher prices for its expansion plans, which are vital. This expansion will probably have to wait for the next government. However, I tell you this delay has been a mistake. For instance, let us take agriculture. There is no way to build access roads. Without them it is impossible to modernize agriculture in the country. Last year, we allocated 15 billion bolivars for these access roads. Yet, all farmers complain about the lack of roads. This year's budget includes only 3 billion bolivars for agricultural roads. This is a very serious setback for agriculture. In Congress, there is a bill creating a fund for agricultural roads. This fund would basically force an increase in the price of gasoline. This money would be spent only on access roads. I think we will have to do this. But it is absurd to lower the price of gasoline. Taking into account the exchange rate, the price of gasoline is now lower than when we raised it in 1991. This is the dramatic reality.

Let us see how things are in Venezuela. An increase in the price of cooking gas is being discussed. These gas cylinders are given by Pedevesa to private businessmen who exploit this. Pedevesa also paid for the transportation of this gas from Pedevesa facilities to the businessmen's bottling facilities. This cost Pedevesa 10 billion bolivars. This year Pedevesa suspended this subsidy but continued to give away the gas to those who sell cylinders.

[Moderator] Estrella Gutierrez from IPS.

[Gutierrez] Good day Mr. President. Throughout this week, at the Legislative Assembly sessions as well as in your radio address today, you appeared very concerned—I would say distressed—with the clouds over the 6 December elections. This is the result of the clashes and quarrels—in your own words—of the political parties for two governorships. Moreover, you pointed out that this has not only resulted in the loss of the institutionalization represented by these elections but it also threatens to destabilize the system and encourages those who are against the system. In this regard, I would like to ask you: Can another coup be staged in Venezuela, if this situation prevails? I would also like to ask you, if you do not believe that your party—the AD—should have surrendered the victory of the two [disputed] governorships and instead, it should have cooperated with you in the [word indistinct] and the nation's stability. At this time, given the circumstances, would it not be more useful for the nation and for the party's own interests?

[Perez] I take this opportunity to strongly stress that another coup is not possible in Venezuela. The country has demonstrated over and over again that it will not accept another dictatorship. These are not my words or the words of the head of state; they are the words of the people. If this were not true, we would have found a total vacuum in the 6 December elections. We saw how the voter turnout doubled. We saw how twice the number of Venezuelans cast their votes than in the 1990 elections. Obviously, this was a reaction against the attempted coups. Besides, the polls—all of them—showed that almost all Venezuelans reject the possibility of a new dictatorship in the country. Therefore, we must rule out this possibility.

Meanwhile, the essence of that Bolivarian group that had been organized in the Armed Forces 10-12 years ago, has now disappeared. They have lost out in their attempted coups. If you want a very clear sign, read today's statements, issued with my permission of course, by the commander of Venezuelan Armed Forces. In these statements, he firmly sets out the reality in the Armed Forces. Take a look at the scenes you witnessed at the Palo Negro Air Base, at the Libertador Base, when our F-16 pilots demonstrated their indignation. This was their reaction when it was said that the planes flown on Air Force Day on 10 December were flown by U.S. pilots. There you can perceive our Armed Forces' strength. You can see how they respond to the Venezuelan people's feelings. So, this is an issue we can definitely leave....[pauses] let us hope there is no more talk about this. Undoubtedly, all those calls for a coup expressed by many prestigious Venezuelans in the past, contributed toward, fostered, and even helped create the climate for the staging of the event by that Bolivarian group founded several years ago.

The reporter is correct when she points out that in a message I delivered to Venezuelans, a few hours ago—as I do every Thursday—I expressed my concern with what is going on. There is no doubt that the 6 December process, which I just finished praising and which was the core of my New Year's message on 30 December, has been darkened by this regrettable confrontation in Sucre and Barinas. This should not have occurred. The political parties should have reached an agreement. The Supreme Electoral Board and the electoral institutions are formed by the political parties. By the way, this is another reform Congress must make. Partisan representation should be removed from the electoral institutions. These institutions must be composed of magistrates.

Of course, we will not find a person without political sympathies in Venezuela, but they should not assume posts as party representatives because that is a mistake. This should be subject to reform. Party representatives must participate in all of the electoral organizations in order to supervise and protect the integrity of the electoral process and defend the parties' interests, but not as electoral organization members. This is another reform which should be carried out.

Anyway, let us get to the point. What happened in those two states should have been solved through an agreement between the leading parties on the vote tally by reaching a consensus on the council norms. They should have decided which tally sheets would be considered valid or invalid. A simple sum would have shown who won in each state. The tally requested from the Supreme Electoral Council [CSE] vote-counting commissions has yet to be done. This is deplorable, but the most deplorable thing is that this has become a struggle which basically affects the two leading parties.

Ah! This is another important thing. In recent months, there was talk about Congress' lack of legitimacy, the president's lack of legitimacy, and all the electoral organizations' lack of legitimacy. The country's way of thinking changed and it no longer supported the two leading parties, AD and the Social Christian Party [Copei]. One of the results yielded by the 6 December 1992 elections is that 85 percent of the votes cast in the ballot boxes came from AD and Copei members. Consequently, these parties do have the country's support; they have a greater responsibility; and it is unfair that we now have to fight over the Barinas and Sucre States' gubernatorial problems.

This must be solved immediately, either through the agreement reached by the CSE or through a Supreme Court of Justice ruling. I, meaning the government, cannot take sides in this case because we have been impartial. This is proven by how we have handled the situation in Barinas and Sucre States. As far as we are concerned, no one has been elected governor there because the CSE's definition is unclear. In fact, we have not allowed gossip, and we have maintained public order. As for the critical problem that might have affected the two states, meaning the paralysis of the economy, we adopted an emergency decision and issued a decree to pay the salaries of all the regional administration workers and officials. Funds were given so municipal councils in those states could pay for essential public service.

We have done this and want the situation settled now, either through a CSE decision or through a Supreme Court of Justice ruling. For God's sake, do not let this turn into a political strife in which the Congress' special sessions—summoned to review special issues—are wasted in a political debate that would lead us nowhere. I issue this appeal on behalf of all Venezuelans. If a poll were conducted right now and if each Venezuelan was asked what he thinks the Congress should do—meaning to either discuss the new electoral law, the single candidate ballot, the financial aid for political parties, the law to tax assets, the general sales tax law, the banking law, and the privatization law, or to discuss the Barinas and Sucre States issue—I think 99 percent of Venezuelans would say the country expects the Congress to discuss the laws and to let the CSE and the Supreme Court of Justice settle the impasse in Sucre and Barinas States.

[Unidentified reporter] [Question indistinct]?

[Perez] I have said the brunt of the responsibility lies with the two largest parties, AD and Copei. Now I cannot and must not publicly voice a stand on behalf of the party to which I belong, AD. I, however, say publicly to fellow AD party members and to Copei members they must reflect on the things Venezuela expects from the two parties, on the political leadership they are called to show, and on the need to face the challenge of the antiparty campaign, which has gained, unfortunately, so much ground in our country.

[Moderator] Milagros Rodriguez of Venezolana de Television.

[Rodriguez] Good morning, Mr. President. Taking into account the results of the 6 December elections and in view of the elections this year, how much money will the government have to implement electoral system reforms in order to purchase machines to be used in the elections? What mechanism will be used to purchase such machines given that all negotiations carried out by the government are, in the end, always questioned. Also, have you made any studies regarding where these machines could be built to ensure they will be effective and yield positive results?

I would also like to ask a question about the fiscal deficit because, during a visit to the country last year, the IMF president said Venezuela, among other things, should adjust public service rates in order to tackle this problem. Several official institutions and governors' offices are currently studying this matter. Would Venezuelan society, however, not consider as a provocation an adjustment of public service rates when their quality has not been improved? Finally, are you aware Governor Velasquez plans to raise [establecer] the Guyanese flag in Bolivar?

[Perez] The problem of electoral machines or the new voting system does not pertain to the government. It pertains to the CSE, and to a lesser extent, to the Congress. I, however, gathered the CSE members here in my Miraflores Palace office to voice my anguish over the need to make radical changes in the Venezuelan voting system. I committed myself to ensuring that the government will provide the funds required to mechanize the electoral process. The commercial operation to acquire machines, among other things, does not pertain to the government. It pertains to the CSE. At any rate, no central government organization would be involved in this. This is very clear.

We are, however, willing... [pauses] and we are already making some efforts in this direction. As for the kind of machines, the CSE must establish the criteria in keeping with the characteristics of our electoral system, with Venezuelan tradition. In the world there is... [pauses] and especially in the United States.... [pauses] in the United States each state has its own system; nearly all of them are different. From that country we could choose a system that best fits the Venezuelan electoral reality. This, however, must be done immediately. A decision

should be made within 15 days. Otherwise, it will be very difficult. A failure to do this could have very serious consequences for the December elections.

This is the government position. I trust fully the CSE is mindful of this responsibility. I also trust the parties support it and the Congress will give its full support to these indispensable changes.

As for the fiscal deficit, I have already talked thoroughly about this problem. A country cannot depend on a sole export. This is what Venezuela has done. Venezuela has depended on oil. Oil does not have the returns it had in the past.... [pauses] and which Venezuelans merrily used to resolve our economic problems.

Much was said that by 1990, the per capita income—that is, what each Venezuelan would receive for oil returns—would be more than \$1,500. We see today that what each Venezuelan will theoretically receive from our petroleum production does not even amount to \$300. This is an example of our shocking situation. It should be highlighted that Venezuela and its government have always been very concerned about the oil situation and our country's importance in the oil market. Do recall that as soon as I was elected president, I toured the Middle East and managed to coordinate a position with OPEC members, which was followed by a stunning increase in petroleum prices.

Now, we agreed to send our energy and mines minister, who is also the OPEC president, on a tour of the oil-producing countries and already there is an increase of more than \$1 in the price of petroleum, which had dropped dangerously. The price, however, has still not reached the point forecasted in our 1993 income budget. Presumably, this year, we will still experience one more drop in oil prices. Minister Olirio Parra's successful tour has given us hope that we will be able to offset, although not totally, the new danger that looms over the country.

Well, this is the reason for the fiscal deficit. In Venezuela—I get tired of repeating this but, of course, many people cannot understand statistics because they are not familiar with economic theory and the economists' language—the total amount of taxes received only represents 3 percent of the GNP. The Latin American country with the least amount of taxes, has tax revenues that represent more than 15 percent of its GNP. The taxes in big countries represent from 35 and 40 percent of their GNP. This means we do not pay taxes in Venezuela.

We have no way of overcoming our fiscal deficit problem if the tax system is not reformed. We cannot solve our deficit problems if the fiscal law is not amended. If reforms are not made we will have more inflation and poverty. Every effort and sacrifice made by Venezuelans over the past three difficult years of my government will have failed.

We will now refer to the rates in the country. The rates must be increased. The IMF and the rest of the world are right. The rates must be increased, but we must do so

gradually because, naturally, our people are used to the way they are treated with regard to rates. We cannot increase them suddenly. But we must stress that the subsidies paid by the Venezuelan Government are enormous. Water, for example, is given to Caracas residents at one-tenth of what it costs to bring it to Caracas. We have to pump water from sea level to a height of 1,000 meters. Furthermore, the rates charged generally include full services.

We have to change the rates gradually. We do not intend to rush the increase in any way. Venezuelan society must understand that this is not an attack on Venezuelan society. The problem boils down to: we pay and have the services or we do not pay and have no services. This is precisely one of the sources of our problems. Our public services are inefficient and that is why people will not pay for them? No, our public services are inefficient because they are not paid for and because the government does not have the necessary resources to invest in them and make them efficient. Furthermore, people do not take the time to take care of the services because they do not pay for them. Hence, we must resolve this contradiction, this negative and stubborn predicament. We must increase taxes and public service rates and improve our public services.

This is what is happening with government spending. There are those who say that more taxes are for the government to continue wasting money. That, of course, cannot be the case. The government already demonstrated its commitment in 1992. It cut 60,000 government jobs: 30,000 through privatization of government enterprises, which crossed over to the private sector along with the workers, and 30,000 who we dismissed, paying them their severance benefits, and so on. Now, this process cannot be too rough. First, dismissing government employees is very expensive as we must pay all their severance benefits. Second, because we cannot just throw people out of their jobs. As job opportunities grow, the private economy can gradually absorb these workers leaving the public sector. No one wants unemployment to grow. Another success we have seen during these three years of administration, as the Central Bank has demonstrated, is a reduction in the unemployment rate to 8 percent, and the latest statistics for January of 1993 show it at 7 percent. So we see the improvement in the quality of life of the Venezuelan people, despite all the difficulties we are experiencing. I cannot deny the Venezuelan people have had to go through a very difficult time. We have had to face many problems, but the important thing is that we are solving them. Nevertheless, we cannot say that we are satisfied, given the current situation in the country.

[Unidentified reporter] [question indistinct]

[Perez] I know nothing about that. Of course, if there is one thing that is unthinkable, that is that we might accept some sort of dismemberment of the Venezuela State. I have promoted and achieved, and I say this with pride, decentralization and autonomy of the states, but I

am sure that all the state governors and all the officials elected by the people know that there is one unit called Venezuela, to which we all must answer. I do not think that any governor or any group of Venezuelans has proposed any form of autonomy that might threaten the integrity of the nation's territory and sovereignty. This is one of those things that should bring us together. Venezuelans are often regionalists, and very much so—just as the Andeans or the people of Zulua—but we hold Venezuela as well as the tricolored flag with its seven stars high above all else.

[Moderator] I would be grateful if the journalists could keep their questions short, as time is running short. Roberto Cienfuegos, from EXCELSIOR of Mexico.

[Cienfuegos] Good morning Mr. President. I would appreciate it if you could list the basic political issues to be discussed by the presidents of the G-3 countries and your Central American colleagues? If you would allow me a second question, sir, what.... [pauses] I am sure you have reflected in the solitude of your office about your last year in office. Could you tell us what your main personal political desire is for this last year in office? As a citizen, what type of political figure would you like to elect in the 1993 election for the type of country you will leave to your successor?

[Perez] Well, the G-3 is one of those Latin American integration organizations with great importance, because it engulfs this enormous and most significant region of Latin America: the Caribbean region. The G-3 includes Mexico, a country which had the initiative to launch a hemispheric integration process. The North American Free Trade Agreement will be an issue we will discuss to give Mexico our full support concerning the new U.S. Administration, which has already announced it will not change the agreement signed between Mexico, the United States, and Canada.

The G-3 members will obviously discuss problems that afflict Latin America, the international situation, and the conflicts and situations prevailing throughout Latin America, particularly in our countries. I already said we will discuss the beginning of the process to integrate trade among our three countries. The process has almost been launched by the Mexican-Colombian-Venezuelan technical commission.

The most important thing will be our talks with the Central American presidents for an integration process and the cooperation that will be provided by larger countries for our integration with Central America. These will be, in general terms, the topics we will discuss in the meeting.

My last year in government will be difficult, as any last year in any administration. Everyone talks about the new administration. My goal is to consolidate the process we started in February 1989 so the new government, regardless of who forms it, will be able to start a new administration without the constraints, needs, and difficulties I have faced for five years.

I have nothing to say about the new president, except I hope he receives a majority of the Venezuelan people's votes. That president will have my consideration, respect, and support, regardless of his party. That is the position that should be adopted by someone like me, who is and has been a democrat, who has recently played such a decisive role in the Venezuelan people's lives, and who has been president of the Republic for two constitutional terms. I am at the service of my country. I have no qualms and feel no rancor or hate toward any group or any Venezuelan. Fortunately, that is my conduct and that is how my participation in Venezuela's life will go down in history.

[Moderator] The last question will be asked by Luis Alfredo Gomez, of Radio Rumbos and EL IMPULSO in Barquisimeto.

[Gomez] Good morning, Mr. President. You said moments ago you had authorized the Army commander general to issue a statement on 28 January. He said the media launched a campaign against the Armed Forces. I would like to know if you authorized him to say that. Furthermore, you talked about the success achieved by your economic program, yet when the agriculture and livestock minister resigned he held the Congress responsible for not approving essential laws and he held the banks responsible for keeping such high interest rates—all of which render agricultural loans inaccessible.

[Perez] Of course, no one can think I told the Army commander what he should say. He is a preeminent Venezuelan who reached that post due to his personal merits. He has held the post of Army commander general with common sense, dignity, and wisdom in difficult times. He is undoubtedly stating uneasiness and anguish because his statements are not politically motivated, and they do not seek a confrontation with the media. No matter how the media acts, it deserves the respect of all the Venezuelan people and all the Venezuelan Government's agencies. He is undoubtedly referring to certain incidents. For example, a newspaper published a prominent headline which read: The Armed Forces inspector general has submitted his resignation. For God's sake! The information can be verified because no one can think this kind of case will be covered up by the Defense Ministry or the government. This will be known, whether you like it or not. Not even in dreams would this happen. Furthermore, the inspector general was in the United States on an Army matter. He returned early in the morning and found out the media had reported he had resigned.

Later another newspaper published that F-16 aircraft were manned by U.S. pilots. The Armed Forces denied the news and asserted: For God's sake, such slander is damaging to our military prestige and we need to show the world that Venezuela has the means to defend itself. The report was denied, but the media insisted on reporting it again. Several such reports are published by the media.

It was surely not the Army commander's intention to fight with the media but to highlight the damage caused by these types of reports. The reports are published without verifying the information given to the public. I could mention a long list of reports that are not true. For example, not long ago the media reported weapons had been stolen from the Honor Guard Regiment artillery park. Not one of their bullets has been stolen. Such reports cause anguish in the people. The people worry that something negative is happening in the Armed Forces. I believe the commander's statements should not be taken in any other way than for what they were: the expression of concern of a man who is not involved in political strifes, but who has to command the largest force in the Venezuelan Armed Forces, the Army.

Regarding the question on the Agriculture and Livestock Ministry, if the journalist who asked the question would have attended the Venezuelan Federation of Associations and Chambers of Commerce and Industry [Fedecamaras] meeting on 27 January, he would not have said what he has said to me just now. Surely, he read some of the information, but did not read the text of the report on that meeting.

It is true and we have to admit that the agricultural sector has suffered the most. We must be aware that our farmers have been through very difficult times. They continue to have many problems because they depend on many things. For example, the person who runs an industry is concerned about an increase in interest rates. However, rain, thunder, lightening, or a hot summer will not stop the industry from producing. Contrary to this, the person who is in agriculture is concerned about the weather. He also has to suffer the harshness of the economic changes we have had to implement. This is the situation of the Venezuelan farmer. He has the right to complain and be worried. We have to be very understanding about the positions held by the Venezuelan farmer because he has been experiencing many difficulties.

The 27 January meeting at Fedecamaras was very important. A negative situation was turned into a positive one. Fedecamaras officials issued very harsh statements on the [word indistinct] situation. The agriculture minister replied but later they agreed to hold a meeting with the entire sector. Several Venezuelan producers organizations, government institutions, and a Fedecamaras representative met on 27 January. The agroindustrial sector, unfortunately, did not attend the meeting. It is good that I say this publicly. We are not happy with the conduct of the agroindustrial sector. The farmers have strongly complained about this. The agroindustrial sector should have gone to the 27 January meeting because they too should have presented their points of view.

Well, what resulted from this meeting? The result was that no one objected to the reforms made in the agriculture sector. All the farmers understand that the reforms, although unfortunate, were unavoidable and necessary. They did emphasize that the farmers had been hit very hard by the reforms due to the weaknesses in our agricultural process.

Later on, several very advantageous agreements to study the situation were reached at the meeting. We also got the chance to tell them that there are 100 billion bolívares to support the agriculture sector this year. We obtained \$600 million from the World Bank and the IDB [Inter-American Development Bank] to support our agriculture and to give loans with a subsidy of 16 percent on the interest rate. We have also obtained a loan for \$150 million from the IDB to support the [words indistinct] to support investigations, technological improvements, and more training for the Venezuelan farmer. Thus, there are resources available to improve the farmers' situation.

There are, however, things we cannot improve. One of them is the weather. Last year was an extremely bad year for the poultry industry. This caused a drop in sorghum and corn production. Farmers know this. They were hit harder because they used to pay lower interest rates but are currently paying high interest rates or must obtain funds at a high cost. Thus, this hit them very hard. Nevertheless, last year—although it was a very bad year because sorghum and corn production dropped by 16 percent—there was, in general, a 3-percent increase in Venezuelan agricultural production. That increase, however, was produced mainly by the animal husbandry sector, because the weather caused the worst damage to vegetable production.

There are, however, ways to solve this. We recognize existing problems and the need for a better understanding among farmers, producers, and the agro-industry. We will call a new meeting and will include agro-industry representatives. Thus, we admit we are facing a difficult situation, but the determination shown by the government must be recognized.

The agriculture minister a long time ago voiced his wish to step down from his post, because he has had to face very harsh and difficult work. He will be replaced in the next few days. This is, however, not the result of this meeting but of an agreement we had reached months ago.

[Moderator] Thank you very much....

[Perez, interrupting] Thank you very much.

[Moderator] We thank all local reporters and foreign media representatives for attending this news conference.